FACTORS AFFECTING LOGISTICS MANAGEMENT IN THE SERVICE SECTOR IN KENYA: A CASE OF AGILITY LOGISTICS

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CHAPTER ONE
INTRODUCTION OF THE STUDY

1.0 Introduction

This chapter outlines the background of the study; profile of Agility Logistics Limited; statement of the research problem; the purpose and objectives of the study; research questions; significance of the study; limitations of the study and the scope of Logistics Management activities in Agility Logistics in the service sector in Kenya.

1.1 Background of the Study

Baker et al. (2006) contends that, it could be valuable to consider logistics with regards to business and the economy in general. Logistics is an imperative action making broad utilization of the human and material assets that influence a country's economy. A few examinations have been embraced to endeavor to assess the degree of the effect of logistics on an economy. One such examination did in the United Kingdom demonstrated that around three percent of the working populace is related with work that is identified with logistics management. Another examination completed in the USA in the current past showed that logistics alone represented there about 10 and 15 percent of the gross national income of major North America, European and Asia/Pacific economies.

Logistics management incorporates the greater part of the data and materials which stream all through an organization. It involves everything from the development of an item or service that should be rendered, through to the handling of incoming raw materials, creation and storage of completed merchandise, their conveyance to the client and after sales service provision (Gitlow et al., 2005). The pervasiveness of logistics has grown and intensified over time because of the rise of new advances and the development of vital strategic alliances keeping in mind the end goal to contend on adaptability and responsiveness. The developing significance of logistics emerges from organizations getting to be globalized to access new markets and acknowledge more prominent generation efficiencies past their own particular geographical locations (Thomke, 2007).
At present, logistics management operations incorporate acquiring, conveyance, the management and handling of inventories, packaging, production and much client benefit arrangements (Bowers et al., 2010).

Agility Global Integrated Logistics (GIL) gives supply chain network management answers which meet traditional and complex client needs. Agility global offers air, sea and street cargo sending; warehousing; dissemination and particular administrations in venture logistics, synthetic coordination activities including fairs and occasions management. Agility GIL are recognized by their worldwide system and driving position in developing markets, a readiness to customize solutions and provide answers for their clients, an entrepreneurial culture that has driven them to put and develop in regions where others see hazard, and a profound responsibility regarding individual administration for their clients and groups.

As indicated by Agility worldwide incorporated logistics authentic website, the organization got its begin as a nearby warehousing supplier in Kuwait and developed to become the biggest logistics management organization in the Middle East. It gained more than 40 logistics trade marks the world over, contributing billions to assemble a worldwide system with a solid impression in developing markets. Today, Agility is one of the world's biggest incorporated logistics management service providers with more than 22,000 staff members spread and working in more than 100 nations.

Agility has two primary lines of business:

Through its worldwide integrated logistics business, it works with organizations in differing ventures and markets to move, oversee and appropriate the merchandise that support worldwide trade.

Through their framework arrangement of organizations, they give logistics related services in developing markets that encourage exchange and make access to new business opportunities.

Commissioned in 2008, Agility Kenya operations give a full scope of cargo sending arrangements, venture logistics management and 22,000 square meters of warehousing storage space and additionally more than 115 transport trailer automobiles for cross border
and nearby dispersion. Through the Kenya office base, Agility can cover prerequisites in Uganda, Tanzania, Burundi and Rwanda. Agility claimed assets in Kenya help bolster dispersion, open yard stockpiling and three modern day distribution centers. Agility logistics Kenya offers general and fortified distribution center space that incorporates 4,274 square meters of temperature controlled office in Mombasa. The Kenyan based group routinely handles import and fare cargo shipments via air and ocean to and from China, India and different world origins and sources. As the Kenyan government continues to invest heavily in infrastructure, Agility Kenya's project management abilities are all around positioned and esteemed especially by the energy sub-sector. Agility Kenya boasts of a employee base of no less than 150 strong staff currently.

1.2 Statement of the Problem

As indicated by Backer et al. (2006), the components of distribution and logistics have, obviously, dependably been basic to the assembling, stockpiling and development of merchandise and items. It is just moderately as of late, nonetheless, that distribution management and logistics have come to be perceived as indispensable capacities inside the business and monetary condition the world over. The influence of logistics has changed in that it now has a noteworthy impact in the accomplishment of a wide range of operations and associations. Fundamentally, the basic ideas and method of reasoning for logistics are not new. They have advanced through a few phases of improvement yet at the same time utilize fundamental thoughts, for example, trade-off analysis, value chains and systems theory together with their related procedures.

Business associations confront many difficulties as they attempt to keep up or enhance their positions against their rivals, convey new items to the market and improve the benefit of their operations. This has prompted the advancement of numerous new thoughts for advancement particularly perceived in the redefinition of business objectives and the rebuilding of whole frameworks. One business region where this has been of specific importance is that of logistics management. True indeed, for some organizations, changes in logistics management have given the impetus to real improvements to their businesses. Major leading companies and institutions associations have come to appreciate that there is a positive 'value-additional' role that logistics can offer instead of the conventional view that
the different capacities inside the logistics function are simply a cost trouble that must be limited paying little mind to some other ramifications (Baker et al., 2006).

Agility Logistics Limited has been in operation in Kenya for close to ten years. Being a regional branch of Agility Global Integrated Logistics, it would be expected to employ best practice logistics management measures as it continues to take root and exploit existing and emerging logistics service provision opportunities while boldly facing and effectively managing industry related challenges amid threats in the Sub-Saharan Africa region of operation. As a result therefore, this research exercise has been driven by the need to find out and identify the potential factors likely to affect logistics management activities on the pursuit of effective service provision in the overall logistics service sector in the country.

1.3 Objectives of the Study

1.3.1 General Objective

This research study’s main objective was to assess the factors affecting logistics management in the service sector in Kenya with reference to Agility Logistics Limited.

1.3.2 Specific Objectives

The specific objectives of this study were as follows:

(i) To evaluate the effect of information sharing activities on logistics management in the service sector in Kenya.
(ii) To find out the effects of transportation mode choice on logistics management in the service sector in Kenya.
(iii) To establish the effect of customs clearance on logistics management in the service sector in Kenya.
(iv) To analyze the effect of third party logistics services on overall logistics management in the service sector in Kenya.
1.4 **Research Questions**

This study sought out to answer the following research questions:

(i) What is the effect of information sharing activities on logistics management in the service sector in Kenya?

(ii) To what extent does transportation mode choice affect logistics management in the service sector in Kenya?

(iii) How do customs clearance regulations affect logistics management in the service sector in Kenya?

(iv) What is the effect of third party logistics services on logistics management in the service sector in Kenya?

1.5 **Significance of the Study**

1.5.1 **To The Researcher**

The researcher has had an opportunity to well understand the logistics management activities generally and their practical effect to customer service provision in regard to Agility Logistics Limited. The researcher gained indebt knowledge on a leading global integrated logistics management concern in the Kenyan service sector setting.

1.5.2 **To Agility Logistics’ Management**

This study helped to reveal the existing relationships between the company’s logistics management operations and their general effect on customer service provision. This would facilitate necessary, appropriate and timely realistic measures to be taken aimed at correcting, controlling, improving and enhancing logistics management activities aimed at effective customer service provision, increased efficiency, effectiveness and profitability realization. By achieving this, Agility would maintain its leading position in the logistics industry generally and the Kenyan service sector particularly.
1.5.3 To Prospective Researchers

Since research is cumulative, this study provides the information and data that future researchers can premise on for studies related to logistics management. They would borrow from this study and consider identified gaps as a basis for prospective studies.

1.5.4 To Policy Makers

This study’s findings would inform policy makers on matters related to logistics management so that they can put in place the right policies for effective management such as on customs clearance regulations. Such policies would guide the logistics service sector to follow the right procedures and channels intended in solving logistics challenges.

1.6 Scope of the Study

This research study mainly focused on logistics management operations and their effect on customer service provision in the Kenyan service sector. It was carried out in a selected logistics management company located in Industrial Area, Nairobi. The study was conducted between the months of August through September in the year 2017. The research study considered Agility Logistics Limited as the case study.

1.7 Limitations of the Study

1.7.1 Reliability

Sekaran 2006 argues that, it would not be possible to always conduct investigations or assessments that are 100 percent correct.

As a result therefore, the obtained findings would not be exact and error free. This is particularly because of the difficulties faced in the actual measurement and collection of data in the subjective areas of respondent feelings, emotions, attitude and perceptions.

1.7.2 Respondent Cooperation Challenges

The researcher spared a considerable amount of time sharing with Agility management and staff on an effort to prepare, persuade, convince and assure them that the research activity would only generate findings to be used for academic purposes only. This was necessary for
purposes of facilitating the collection and gathering of the required relevant data to make this research exercise a success.

1.7.3 Victimization

The researcher had to reach out and appeal to target respondents who were unwilling to respond to our data collection team due to fear of victimization by the company’s top management in regard to what they might have had shared with us. The team had to assure them that whatever data they were to share would be considered confidential and was only to be used for academic purposes only.

1.7.4 Applicability of Findings

This study’s findings are limited to the premises and operations of Agility Logistics Limited in Nairobi. A limitation exists in that, the researcher relied on these findings to give a generalized opinion relating to all the logistics management service providers in the service sector in Kenya.

1.8 Chapter Summary

This chapter outlined the introduction; background of the study; statement of the problem; general objective and specific objectives; research questions; significance of the study; scope of the study; limitations of the study and the chapter summary.
CHAPTER TWO
LITERATURE REVIEW

2.0 Introduction

This chapter documented an extensive and intensive review of both published and unpublished works ranging from journals, periodicals, books, newspapers, opinions, databases and other reliable relevant sources regarding to customer service provision activities in logistics management. The review endeavored to outline the logistics management variables together with their internal and external effects in the important process of customer service provision in the service industry. The literature review was therefore centered on theoretical review, provided an empirical review, outlined a summary of knowledge and research gaps relating to customer service provision activities in logistics management. It also helped to illustrate the conceptual framework, operationalized variables and provides a chapter summary at the end.

2.1 Theoretical Framework

Throughout the years, the components of distribution and logistics management have, obviously, dependably been major to the assembling, stockpiling and handling of merchandise and items. It is just moderately as of late, be that as it may, that conveyance and logistics have come to be perceived as crucial capacities in business institutions and within the overall economic environments. The position occupied by logistics has changed in that it now has a noteworthy influence in the accomplishment of various operations in organizations. Basically, the fundamental ideas and reason for logistics management are not new. They have advanced through a few phases of improvement, yet at the same time utilize the essential thoughts such as trade-off analyses, value addition chains and systems theory together with their related procedures. There is reasonably no 'genuine' definition that ought to be categorically applied when endeavoring to provide a definition of logistics management since items contrast, organizations and frameworks vary. Therefore, logistics as a result thus turns out to be a differing and dynamic capacity that must be adaptable and needs to change as indicated by the different imperatives and requests forced upon it and in regard to the circumstances in which it operates in (Baker et al., 2006).
2.1.1 Value Chain Theory

As expounded by Lysons et al. (2006), Porter’s value addition chain model states that the activities of a business can be classified into five primary and four support activities each of which will potentially contribute to competitive advantage.

The five primary activities are as follows:

Inwards logistics - Alludes to all the activities linked to receiving, handling and storing inputs into the production and service provision systems including warehousing, transport and stock control.

Operations - This entails all those activities involved in the transformation of inputs to outputs as the final products. In a manufacturing enterprise, these would include production, assembly, quality control and packaging. In a service industry, these include all activities involved in providing the service; such as advice, correspondence and preparation of documents by a legal firm.

Outward Logistics - This entails the activities involved in moving the output from operations to the end user, including finished goods storage, order servicing, picking and packing, handling, transport, maintenance of a dealer or distribution network.

Marketing and Sales - This involves such activities as informing potential customers about the products, persuading them to buy and enabling them to do so, including advertising, awareness creation, market surveys and distribution support.

Service Activities - Entails those activities involved in the provision of services to buyers offered as part of the purchase agreement including establishment, save spare parts conveyance, maintenance, specialized help, buyers’ enquiries and protestations.

The four support areas for the above primary activities are the following:

Firm Infrastructure and General Administration - This includes activities, costs and assets relating to general administration safety and security, information sharing systems and the formation of strategic alliances.
Organizational Staff Management - Entails all those measures taken in identifying and selection, staffing, training, developing and remunerating the employees in an organization.

Technology Development - This involves activities relating to product design and improvement of production processes; resource utilization including research and development, process design improvement, computer software, computer-aided-design and engineering and the development of computerized support systems.

Procurement - All those activities involved in acquiring resource inputs to the primary activities, including the purchase of fuel, energy, required materials, components, sub-assemblies, stocks and consumables from outside supply sources.

At the end of it all, a margin is expected to be realized, serving as an indication that the enterprise is profitable with a profit margin that is more than the cost of each of the individual activities or sub-systems that comprise the value chain. Viewed differently, the end customer is ready and willing to pay an extra amount for a product or provision than the total cost of all the value chain activities or sub-systems.

Linkages should serve as a means by which the independent parts of the value chain - both internal and external - are joined together. Such linkages take place when one element affects the cost or effectiveness of another element in the value chain. Thus, intranets and the internet are useful linkages as they may reduce the cost of supply chain administration. Linkages require effective coordination. Ensuring that products are delivered on time, for example, requires the coordination of operations, outbound logistics and service activities.

2.1.2 Systems Theory

As indicated by Baker et al. (2006), the Total Logistics Concept (TLC) extends to treating the various components that go under the general class of distribution and coordination as one single incorporated framework. It is acknowledgment that the interrelationships between various components, for instance - conveyance, stockpiling and transport should be considered inside the idea of the more extensive inventory network. In this manner, the aggregate framework ought to be viewed as and not only an individual component or sub-framework in disengagement. A comprehension of the aggregate logistics concept is
particularly imperative when getting ready for any part of distribution and coordination of operations. The total logistics concept viewpoint could be disregarded at some significant cost. Thus, along these lines, trade-off analysis turns out to be an imperative component of making logistics operations execution arrangements.

Four unique levels of trade-off have been distinguished:

Inside Distribution Components - This involves those trade-offs that happen inside single capacities. One case would be the choice to utilize arbitrary capacity areas contrasted with settled capacity areas in a warehouse. The previous gives better stockpiling use yet is more troublesome for picking; the last demonstrates simpler picking but however does not give such great stockpiling usage.

Between Distribution Components - Refers to those trade-offs between the diverse components between circulations. For instance, an organization may improve production quality and along these lines optimize on the cost of its acquiring capacity and yet prove more uneconomical through upgrades in warehousing and produced items storage and handling.

Between Company Functions - Various ranges of interface between organization capacities exist where trade-offs can be made. A case is the trade-off between upgrading production run lengths and the related warehousing expenses of storing and handling the completed items. Long production runs deliver reduced unit expenses and in this manner more practical creation, yet imply that more developed items must be put in storage for a more extended period which is less financially savvy for warehousing.

Between the Company and External Organizations - This is relevant where a trade-off might prove to be advantageous for the organizations that are related with each other. For instance, a change from the producer's items being conveyed direct to a retailer's store to conveyance by means of the retailer's distribution centre network may prompt shared substantial savings for the two organizations.
These kinds of trade-offs are subsequently at the core of the total logistics concept idea. For the arranging of conveyance and coordination, it is vital to take this general perspective of a logistics framework and its expenses. The other side of the scenario is, obviously, the need to give the service level that is required by the client. These adjustments of aggregate logistics cost and client benefit level is basic to fruitful logistics management endeavors and operations.

2.2 Empirical Literature Review

2.2.1 Information Sharing

As outlined by Baker et al. (2006), there can be almost certainly that the accessibility of affordable computing power has prompted sensational advancements in the field of logistics management. The capacity to deal with stunning measures of information rapidly and precisely has for near 50 years actually changed the way business is directed. It has been depicted, with great motivation, as the second industrial transformation. The capacity to share data between supply chain networks by means of electronic information exchange is being embraced by an ever increasing number of organizations every day. The possibility of mass access to the web has started a blast in both home and office-based shopping, to state nothing of the utilization of messages and e-mails as a method of communicating with companions and business partners far and wide. Data and correspondence frameworks alongside the related equipment utilized as a part of storage network management functions satisfy distinctive parts. They may help the basic leadership process, help to screen and control operations, make reenacted frameworks, store and process data; and boost correspondence between people, organizations and machines.

Electronic Supply Chain Management (E-SCM) is more interested streamlining and improving the entire supply chain by methods for inner applications, with the point of guaranteeing most extreme deals development at the least conceivable cost. This incorporates setting up an inside web based acquiring framework, joining a vast electronic commercial center and executing E-SCM over the whole value chain. Obvious, the web
gives present and future advantages to both the administration and enhancement of supply chains (Lysons et al., 2006).

Coyle et al. (2013) argues that, creativity and innovativeness are basic for increased supply chain optimization. Data, alongside materials and cash, should promptly stream over the supply chain channels to effectively facilitate the arrangement, execution and assessment of key capacities.

Luckily, supply chain data capturing innovations can give opportune and cost-proficient sharing of relevant data between supplies providers, producers, middlemen, logistics specialist organizations and clients. It is crucial to adjust innovation to production network procedures and data prerequisites. Numerous organizations have discovered that there exists a genuine risk in embracing valuable instruments without a particular arrangement for their usage.

Through the realization of the capability of data innovation and information sharing, a majority of organizations have contributed tremendous amounts of cash to gather, investigate and make more viable the utilization of supply chain information in various ways:

To begin with, Electronic Data Interchange (EDI) which alludes to computer-to-computer exchange of organized data for programmed processing is utilized by various supply chain network accomplices to share fundamental information important for the viable running of their organizations. These auxiliary connections are normally set up between organizations that have long-term exchanging arrangements and connections. For instance, some numerous retailers will supply electronic point-of-sale (EPOs) information specifically to supplies providers, which thus triggers replenishment of the stock item sold. As an outcome of this sort of solid connection, supplies providers will have the capacity to construct a recorded sales design that will help their own potential future demand request forecasting abilities. In this specific situation, EDI has many advantages. It gives opportune data to suppliers about their clients' business, it is exceptionally exact and it is extremely productive in light of the fact that it doesn't expect staff to gather the data physically. EDI is utilized to send solicitations, bills of lading, air way-bills, affirmation of dispatch, shipping points of
interest and any relevant useful information that the associated organizations would wish to share. United Nations/Electronic Data Interchange for Administration, Commerce and Transport (UN/EDIFACT) is the standard that guarantees that data might be sent and recovered in a suitable form by business associates.

Secondly, Bar Codes which allude to a portrayal of a number or code in a form reasonable for reading by machines are generally utilized all through the supply chain management network to recognize and track merchandise at all phases all the while. Bar codes are a progression of various width lines that might be introduced in a horizontal order, referred to as ‘ladder orientation’, or a vertical order, termed to as ‘picket fence orientation’. For instance, products delivered to a distribution center might be distinguished by the warehouse managing system and added to stock held in that particular storage facility. At the point when secured, the standardized identification is utilized to connect the storage area with bar-coded stock, and on dispatch the stock record is changed. The utilization of scanner tags can accelerate operations fundamentally. Issues can arise if standardized tags are ruined or the labels tumble off in transit.

Thirdly, Radio Frequency Identification (RFID) is a quickly creating innovation that enables articles to be labeled with a gadget that contains a memory chip. The chip has a read-and-write provision that is as of now executed utilizing an assortment of radio frequencies. This implies a pallet of merchandise can have a RFID label joined that contains a lot of data with respect to the given pallet. This may incorporate the product details, the carton number, stock keeping unit number, the source and destination of merchandise, the storage area in the warehouse et cetera. One main advantage over scanner tags is that the data contained in the tag can be refreshed or changed all together. The labels are less susceptible to damage. Not at all like the standardized tag name they are not easily defaced. Another preferred standpoint is that the labels might be read from far away and don't require 'line if sight' visibility by any stretch of the imagination. It is likewise conceivable to read RFID labels through pressing materials yet not through metal. A mixed pallet of various items might be read through all the while by one scanner, accordingly lessening the time altogether for this procedure. RFID labels might be utilized to track a wide range of sorts of organizational
assets, individuals and creatures. As the cost of this innovation diminishes, so the take-up of its utilization is probably going to increase and noticeably become more boundless.

Ultimately, Customer Order Processing is frequently not the immediate obligation of a logistics division. Be that as it may, the outcomes of request preparing regarding the allotment of stock and the development of picking records are imperative.

Primary advancements have happened in two particular territories: The first of this is the data now given to prepare requested orders. This incorporates the perceivability of stocks accessibility, which enables the request taker to recognize instantly regardless of whether stock can be provided 'off the rack' to the client. Likewise, the request taker is frequently required to give the client a concurred conveyance date at the time the request is taken. This implies conveyance plans must be clear and solid. These advancements help to enable a greatly improved level of service to be offered to clients, yet additionally, obviously, represent another aspect in logistics operations. Second, there has been an expansion in the capacity to put arrange orders instantly and straightforwardly through EDI or through established electronic networks. This has been facilitated in a few cases to enable clients to have programmed access to their request status. And also apart from setting orders remotely by means of EDI or the web, they can keep be able to track onward developments through the supply chain.

2.2.2 Transportation

As indicated by Lysons et al. (2006), Physical Distribution Management (PDM) is regularly thought to be more concerned with the stream of products from the receipt of a request until the point that the merchandise are conveyed to the client. Though Materials Management (MM) is involved more on the aspect of moving purchased requirements from organizational supplies providers to production and development, PDM identifies with the yield period of moving completed merchandise from production divisions to completed products stores and afterward through suitable channels of distribution to a definitive ultimate customer.
The principle exercises related with PDM are stock control, warehousing and capacity, materials storage and handling, protective packaging, containerization and transportation. Improvements, for example, Just-In-Time (JIT) where producers and distributors alike carry and handle a few hours’ stock and mainly rely on supplies providers to meet their production or sales prerequisites have enormously upgraded the significance of PDM.

The point of view of the logistician is that 'what streams can be made to stream quicker'. From this point of view, the logistician ponders the expenses incurred by the venture, starting with the underlying input factor, time spent on the generation procedure and ending when the client pays for the item or service provided. The more the time spent at each phase of the procedure, the higher the expenses are to be incurred. A lessening in the time taken at any stage will give a chance to cost diminishment, which can, thus prompt a reduced final product or service price.

Alongside effective management of transportation costs, service provision quality levels must meet desired customer expectations. Reasonable transportation is of little incentive to an inventory management network if the item does not arrive where and when required. Amazing client centered transportation directly affects an organization’s capacity to give the seven "Rs of Logistics" of getting the right item to the correct client, in the right amount, in the right condition, at the right place, at the right time and at the right cost. Moreover, transportation can enhance supply chain network adaptability. By working with transportation service providers that offer a scope of transit times and service choices, business entities can fulfill customer supplies requests for enhanced, following day service and additionally, more economical and cost-effective delivery of processed orders (Coyle et al., 2013).

Baker et al. (2006) contends that the changing perspective of logistics and the supply chain management aspect, especially the move by many organizations towards worldwide operations, has obviously affected the relative significance of the distinctive methods of transport. In a worldwide setting, more items are moved far more longer routes and distances since organizations have created ideas, for example, center industrial facilities - with a solitary worldwide assembling point for specific items, and on account of the centralization of production plants in reduced cost producing areas. Long distance
transportation options have in this manner turned out to be substantially more essential to
the advancement of effective logistics management operations that have a worldwide
viewpoint. In this way, the need to comprehend the relative benefits of, say, ocean shipment
as against air shipment is critical in spite of the fact that, for some restricted last conveyance
operations, it is still road transport that offers the only practical solution. These
improvements serve to underscore the need to recognize the wide range of aspects of
transportation modular decision options for universal logistics.

A majority of the main methods of transport can be considered for the development of
products globally. The determination of the most suitable transport mode is consequently a
key choice for universal distribution and logistics management, the primary model being the
need to adjust costs in regard to customer’s expected service level. These are exceptionally
critical trade-offs to be made while analyzing the options accessible between the distinctive
logistics management factors and the diverse transport modes.

Sea Transport:

Of the primary options of ocean cargo movement, both the regular load and the unit modes
are pertinent. For ordinary ocean cargo, the primary focuses to note are as per the following:
For a few items, the most cost-effective methods for carriage remain to be that of customary
ocean carriage and movement. This especially applies to cumbersome products and to
expansive bundled dispatches that are being shipped to far away destinations. Where the
speed of service is totally irrelevant, at that point the affordability of ocean transport makes
it exceptionally viable.

Ocean transportation services are broadly accessible and many types of cargo can be
handled. Ocean freight has a tendency to be moderate for a few reasons. This incorporates
the reality that the turnaround time in port is still very slow, just like the real voyage time.

Ordinary ocean freight is burdened and adversely affected by slow handling strategies still
utilized. This is particularly more evident whenever compared with the more focused
'through transport' frameworks with which ocean cargo movement must contend. The issue
is especially obvious on some of the short ocean routings.
There are three notable factors that can prompt unacceptable service provision measures, and in addition resulting to reduced transport time span itself. These are well beyond the voyage time. They are pre-shipment delays, delays at the release port and perennial adverse effects because of unfriendly climate, missed tides among other related aspects. The need to double handle shipment on traditional boats tends to make this mode more inclined to harm for both consignments and packing material.

Road Transport:

Road transport is the most essential mode for national developments inside individual nations. With regards to cross-border distribution, road transport is likewise recognized to be essential, even where there are significantly huge geographical location imperatives, for example, to and from a neighboring nation.

As could be related with other different types of global transport, the real points of interest and detriments of road transport benefits are as outlined below:

They can give a quick and effective solution in scenarios where ship and ferry timetables can be deliberately planned into routing designs in the event that they are a vital piece of the distribution operation. For accomplished unit loads with a single source and destination focus, they can be extremely effective from the cost perspective. There is an enormously diminished need to double handle and transport products and packaging, and for immediate, full-stack conveyances this is totally wiped out. Packaging expenses can be kept to a minimum since loads are less vulnerable to the extraordinary travel 'stuns' that different modes can cause. The framework can give customary booked services because of the adaptability of road transport vehicle planning. Road cargo transport can lose its speed accrued benefit position when utilized for not as much as lorry-sized loadings. This would involve consolidation and consequently invoice double handling at either end of the voyage, extra packaging and time related delays.
Rail Transport:

More customary rail shipment frameworks have the real advantage of being a moderately cheaper type of transport. This is especially valid for massive and substantial committals that require development over medium to long distances and where delivery speed is not fundamental.

The standard weaknesses of ordinary rail transport are as outlined below:

Rail wagons are inclined to some exceptionally extreme stuns as they are shunted around merchandise yards. Shunting stuns can cause damage to goods on transit. To conquer this, expensive packaging measures should be utilized.

There is a need to double handle with increased consolidations in light of the fact that the first and last leg of a 'through' adventure regularly should be by road transport.

There are a predetermined number of railheads accessible at industrial facilities and warehouses, thus making direct source point-to-destination shipping plans exceptionally uncommon. As of late, many organizations with railroad sidings on their premises have shut them down because of their high cost of maintenance and operation.

All in all, rail transport is a relatively a slower undertaking for carriage—especially when the entire trip is considered. Many cargo trains need to fit their calendars around traveler trains, which would take prime consideration.

Rail cargo transport can be exceptionally inconsistent. Bunches of wagons can touch base at unpredictable timings. This can bring on additional deferrals for global movement if the whole consignment is under a consolidated customs clearance document.

For cross border shipment, there are critical similarity issues. These incorporate varieties in track gauge sizes, connection statures and absence of electricity.
Air-freight Transport:

The utilization of air-freight shipping as an alternative mode of transport has developed rapidly in the recent times. Significant advancements in the aspects of incorporated unit loads, enhanced storage and handling frameworks and extra cargo loading space together with multiplication of planned cargo flights have expanded the aggressiveness and service level abilities of air-freight cargo movement.

Air-freight shipment contrasts extremely well with other transport modes over longer global distances and movements. This is on the grounds that it has exceptionally quick airplane terminal to-air terminal travel times over these more drawn out separations. In spite of the fact that air-freight cargo service is faster from airport to another airport, there can be an inclination for this speed factor to prove noticeably less of leverage since time can be lost because of air terminal clog and handling, increased documentation and customs clearance related delays. One specific preferred standpoint is 'lead-time economy'. This alludes to the capacity to move products rapidly over long separated locations and thus creating an impression that it is pointless to hold stocks of these required items in the nations under focus. The air freighting of items takes into consideration a lot of market adaptability in light of the fact that any number of nations and markets can be accessed rapidly and effortlessly. The adaptability of air-freight transport implies that an organization requires not to really set up broad stock-holding systems in these zones. The development of products via air-freight shipment can bring about a stamped reduction in packaging necessities. Since air freighting mode does not encounter serious physical conditions, its transfers are not inclined to harm and breakages. Airship cargo transport is extremely favorable for specific scopes of products as compared with a large number of other options. This incorporates those kinds of items with reduced weight dimensions but of high economic value, fashion items, urgent supplies requirements, perishable goods and key spares for both the motor and production industries.

2.2.3 Customs Clearance

Lysons et al. (2006) contends that all merchandise, new or used, imported into a nation are liable to custom duty obligations which involves import duty obligations or import tax and Value Added Tax (VAT) as indicated by their economic value and import charge
categorization. Import duty obligation rates are determined to a yearly premise and outlined in a ‘customs duty tariff’. The tariff gives general data on tax levies influencing the import, export and transportation of merchandise, valuation of products for import duty obligation figuring purposes, VAT and extract obligations or rather obligations payable on specific products, for example, wines, spirits and tobacco notwithstanding import duty obligation. The rate of import obligation fluctuates in relation to the kind of merchandise being imported and the origin nation. Typically, import obligation is calculated based on a given percentage of the estimated value of the products in addition to the carriage and insurance expenses to the nation of destination and may likewise incorporate such expenses of devices, moulds, plan work, loyalties and permit charges. VAT, which change crosswise over various nations is then included.

NOTE: It would be commendable noticing that in numerous occasions, VAT will be the biggest tax expense to be paid on importation.

Moreover, a customs clearance expense will be charged by the dispatch, transporter, cargo forwarder or import specialist for clearing the products through customs procedures. There can be further charges for capacity if the merchandise are held up in customs storage or because delayed payment executions.

Coyle et al. (2013) propounds that, middle people assume a substantially bigger part in worldwide supply management operations. The extent of administrations that go-betweens offer is extremely thorough. Middle people can assume a part in helping new and set up organizations wander into the worldwide field. A few organizations require pertinent help from such agents/operators as remote cargo forwarders, air-freight cargo forwarders, non-vessel operating normal transporters, exports administration organizations, trade exchanging organizations, customs house intermediaries among others in appreciating complex operations involving sources and destinations in different nations.

The foundation of various worldwide exchange understandings and financial unions, for example, the European Union (EU), the North American Free Trade Affiliation (NAFTA) and the Association of South East Asian Nations (ASEAN) among others has majorly affected the globalization of exchange. Numerous items are delivered and dispersed
crosswise over regions and main lands, and there has been a noteworthy effect on transport openings. As these progressions have occurred, they have been a noticeable impact on the structure of the distribution and logistics frameworks all through Europe and other parts of the world as commerce exchange barriers have been eliminated and new transport systems have been started (Baker et al., 2006).

The arrangements and changes that are especially important to logistics management are that products and ventures can be purchased at any place within the region, customs boundaries have been for all intents and purposes done away with, documentation has been improved and institutionalized, working and transportation permit limitations have been expelled, testing and verification measures are satisfactory in all member states and there now exists free movement of capital.

The documentation necessities may change as per the source and destination of the shipment, and the method of transport to be utilized. The most well-known documentation are the shipper's declaration of export; bill of lading, or ocean or air waybill; import and export licenses; authentication of root and consular documentation; CMR note for carriage of products by way of road transport; CMI note for carriage of merchandise by rail; packaging list; insurance coverage document; shipping conveyance note; export trade invoice and different customs clearance necessities for import and export, for example, the Single Administrative Document (SAD).

Nonetheless, it ought to be imperative to take note that, it is essential that all documentation is prepared precisely ahead of time. If this is not realized, significant postponements can ensue. In a few examples, such delays identified with inaccurate or deficient documentation can prompt significantly extra costs and even the possible loss of business openings.

As a result of the specific inconveniences concerning import and export documentation, and additionally for different reasons, many organizations utilize the services provided by cargo forwarders. The common service provisions that are offered incorporates the readiness and checking of transportation documents; booking space with various carriers; organizing the order request accumulation from the point of source to the transportation port; orchestrating the customs leeway and the ultimate conveyance at the destination nation; assisting and
guiding in regard to export regulations and documentation prerequisites; point by point information on the various international transportation mode options; provision of relevant critical information in regard to the distinctive methods of cross border transport; valuable information on the diverse expenses related with various transport modes and destinations.

It would be significant to note that, many cargo forwarders go about as principals to the carriage contract and accordingly consequently, give road and container consolidation services or air-freight cargo combination. In these circumstances, the cargo forwarder assumes liability for the safe and effective shipping, as opposed to going about as an agent.

Customs House Brokers direct the movement of products through customs leeway and guarantee that the documentation going with a shipment is finished and precise for passage into the destination nation. Customs house representatives work under agency contracting (organization law) commitments from the shipper to pay all import obligations due on the shipment. The importer is at last ultimately responsible for any unpaid obligations. The customs brokerage representatives stay up to date with the most recent import controls and of the particular necessities of individual items.

2.2.4 Third Party Logistics (3PLs)

Firms have invested impressive attention and resources towards working all the more intimately with other supply chain network members including clients, vendors and different suppliers of logistics related services. Basically, this has brought about the development of more significant connections among the organizations engaged with general inventory management networks and co-ordination. Accordingly, many organizations have been broadening their logistics management associations into those of other supplies management members and facilitators. One method for broadening logistics management operations past the limits of the organization is using a providers of outsourced contract logistics services.

Outsourced logistics services may include the provision of services such as transportation, warehousing, distribution, financing among others. Dependent upon the firm and its operational location in the business, the terms 'contract logistics' and 'outsourcing' are now and again utilized in the place of third-party logistics. While some industry officials take
care to recognize among terms such as outlined, each of these terms refers extensively to the utilization of outsourced logistics management services (Coyle et al., 2013).

It is an issue of some open deliberation in the matter of regardless of whether benefit levels are better or more regrettable among outsider merchants as compared with the provision of in-house logistics services. For committed operations, there ought to be no huge distinction in light of the fact that the outsourced operation is a restrictive one and in this manner like an own account logistics service provider in that regard. Without doubt, it might be more difficult to accomplish benefit level upgrades in a current claim account operation in light of latency inside the operation. For multi-client operations, service delivery ought not be poorer on the grounds that third party logistics service providers make continuous and consistent conveyances to their shifted conveyance focuses. Surely, in remote provincial zones, the utilization of an outsourced logistics service can extraordinarily enhance benefit levels since conveyances are probably going to be more successive than a limited own account can attempt.

The utilization of an outsourced third-party service operation should offer more prominent adaptability to the client organization. This is especially valid as an organization looks to grow new products and services including new markets. An organization that anticipates to introduce new products into another geographic region will discover it much more conservative to utilize an outsourced logistics service instead of building up a costly new logistics framework in a territory where initial sales revenues are probably going to be low and resulting accomplishment for its items is not guaranteed (Baker et al., 2006).

Included among the transportation-based vendors are such firms as UPS Supply Chain Solutions, FedEx Supply Chain Services, DHL, Ryder, Menlo Logistics, Panalpina and Schneider Logistics - the greater part of which are auxiliaries or real divisions of vast transportation firms. A portion of the services provided by these organizations are utilized, in that, they use resources of different organizations; some are non-utilized, where the vital accentuation is on using the transportation-based resources of the parent association. In all occasions, these organizations stretch out past the transportation service to give a more extensive arrangement of logistics management offerings.
Customarily, most storage and conveyance based logistics service providers have been in the public or contract warehousing business and have ventured into a more extensive scope of logistics management services. This classification incorporates various 3PL firms that have risen up out of bigger corporations in the logistics field. Conspicuous among these are Caterpillar Logistics Services (Caterpillar Inc.), Intral Corporation (Gillette) and IBM Global Business Services (IBM Corporation). These suppliers have huge involvement in dealing with the logistics operations of the parent firm and, thus, end up being exceptionally proficient suppliers of such services to outside clients. While the possibility that a 3PL firm may rise up out of a corporate logistics entity is an intriguing one, not all of these diversifications have been as effective industrially as the ones outlined here.

Forwarder based 3PL classification incorporates such firms as Kuehne and Nagel, Expeditors, C. H. Robinson, Hub Group and UTi worldwide that have expanded their go between roles as forwarders and representatives into the more extensive scope of 3PL administrations. Basically, these organizations are non-resource proprietors, autonomous and manage an extensive variety of vendors of logistics service provision. They have clearly demonstrated to be capable in assembling bundles of logistics benefits that address clients' issues.

The financial categorization of 3PL vendors incorporates firms the likes of Cass Information Systems, CTSI and Tranzact Technologies. These organizations render services such as payment for shipments and auditing; costing and control; logistics management tools for checking, booking, tracing, tracking, stocks management, advisory and consultative services.

Finally, because of information based 3PLs as of late; the development and improvement of web based, business-to-business, electronic markets for transportation and logistics administration have been huge. Since these assets conveniently represent alternative sources for those in need of buying, transportation and logistics service provision; they might be thought of as more up to date and inventive kinds of outsourced logistics service vendors.
2.3 Summary

Amid the 1980s, 'Logistics' or 'Incorporated Logistics Management Concept' emerged in a fast number of organizational institutions. Universal or worldwide sourcing of materials and supplies for inbound frameworks was developing in significance. Global transportation displayed some extraordinary difficulties for production schedules. In this manner, it turned out to be progressively obvious that coordination between the outbound and inbound logistics frameworks gave chances to expanded productivity and enhanced client benefit. The Value Chain Concept was likewise created as an instrument for focused market environment investigation and methodology. The more incorporated nature of promoting, selling and assembling with logistics was additionally an imperative measurement of the value chain. Logistics works writers would generally incorporate 'procurement' as a component of logistics management but the 'value chain' delineates it as a supportive element for all the essential activities since they may all do some acquiring of services and materials. The basis for the previous potential realization of trade-offs between acquisition amounts, transportation volumes, stock levels and other related costs incurred across the value chain (Coyle et al., 2013).

Total Quality Management (TQM), has become the dominant focal point as the fundamental issue in both national and corporate aggressive strategies. In the event that an organization makes quality a key competitive edge, it turns into the focal issue in key long-term plans, from the mission to supporting strategies. A fundamental thought consequently, is that the product or service is client value oriented. This requires the need to build up an institution wise culture in view of quality. Similarly taking note of, no system or plan can be successful unless it is precisely actualized (Ross et al., 1999)

Baker et al. (2006) asserts that, parallel to the development in the significance of distribution and logistics has been the growth in the number of related names and distinctive definitions that are utilized. A portion of the diverse names that have been applied in distribution and logistics include: physical circulation; logistics; business coordination; materials management; purchasing and supply; production flow; sales promotion logistics; inventory network management; demand chain management and many others.
Logistics management is a differing and dynamic function that must be adaptable and need to change in regard to the different limitations and demands forced upon it and in relation to the environment in which its works. In this way, these many terms are frequently employed interchangeably in writing and in the business world.

Adding to the above, logistics is more concerned with 'physical' and 'information' streams and storage from raw materials inventory through to the last conveyance of the completed product. Thus, supplies and materials management represents the storage and streams into and through the manufacturing/production processes while distribution represents the stocks holding and streams from the ultimate production point through to the client or end user. Significant accentuation is presently placed on the significance of information in addition to physical streams and warehousing, and an extra and extremely important factor is that of reverse logistics, which alludes to the stream of utilized items and returnable packaging back through the framework (Baker et al., 2006).

The components of logistics and distribution management have, obviously, dependably been major to the assembling, stockpiling and distribution of merchandise and products. It is just relatively as of late, in any case, that distribution and logistics have come to be appreciated as crucial functions inside the business and economic environments. The role of logistics has changed in that it now has a noteworthy influence in the accomplishment of a wide range of operations and organizations. Given this contention, it proves necessary that the Kenyan service sector for the most part and Agility Logistics Limited specifically ought to stay awake and remain focused to the pursuing and realization of best of the range logistics practices and viable client benefit arrangements. By doing this, they would have the capacity to cost-effectively and reasonably contend in the ever dynamic, diverse and increasingly competitive logistics service provision field.

Baker et al. (2006) additionally contends that service quality is a measure of the degree to which the client is experiencing the level of service that he or she is anticipating. Along these lines, an extremely straightforward but then powerful perspective of 'service quality' is that, it is the match between what the client expects and what the client encounters. Any deviation from this can be considered as the 'service quality gap'. It ought to be noted that the client's perspective is the thing that the client sees or believes to be happening, but, not
really what is witnessed or experienced as far as what the provider/seller is giving or supposes she or he is giving. Perceived quality is often a judgment that the client makes. Whatever the client believes is the truth is reality, regardless of what the provider may perceive despite what might be expected! This is another reason in the matter of why cautious estimation of client benefit is important with the end goal that to have the capacity to exhibit that specific concurred measures are being accomplished.

2.4 Conceptual Framework

Figure 2.1 Conceptual Framework

<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>Dependent Variable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information Sharing</td>
<td>Logistics management in the service sector in Kenya</td>
</tr>
<tr>
<td>Transportation</td>
<td></td>
</tr>
<tr>
<td>Customs Clearance</td>
<td></td>
</tr>
<tr>
<td>Third-Party Logistics (3PLs)</td>
<td></td>
</tr>
</tbody>
</table>

Source: Author (2017)
From a request taking point of view, logistics is much concerned with having the capacity to guarantee the client, at the time the request is made, as of when the request will be conveyed. This requires coordination among stock control, assembling, warehousing and transportation to ensure that any guarantees made when the request is taken as to conveyance time and produc accessibility will be kept. The second measurement of client benefit identified with the levels of service the organization guarantees to its clients. These service level measurements could incorporate request fill rates and on time conveyance rates. Choices about inventories, transportation and warehousing identify with client benefit levels. While the logistics function may not totally control client benefit choices, logistics assumes a critical role in guaranteeing that the client gets the correct item at the perfect time and in the desired quantities. Logistics choices affect item accessibility and lead-time, which are basic to client benefit realization.

2.5 Operationalization of Variables

As per Baker et al. (2006), most by far of organizations consider customer service to be an essential part of their business. Whenever squeezed, be that as it may, there are many organizations that think that it is hard to portray precisely what they mean by client benefit or give an exact meaning of client benefit measures. Customarily, service provision arrangements have been founded on extremely expansive assumptions of what clients need, instead of considering the genuine prerequisites of the clients or if nothing else clients' perceived impression of what they require. There are a few notable focus areas that should be considered. One is the meaning of client benefit and another is its estimation. It is likewise vital to realize that client service provisions and benefit necessities can and will vary not simply amongst enterprises and organizations, but rather, furthermore between the market portions a business may serve. Another applicable factor is the acknowledgment of the unpredictability of client benefit arrangements.

Client benefit is inseparably connected to the process of distribution and logistics. Within this procedure, there are many impacts that might be important to client benefit. These range from the simplicity of requesting to stock accessibility to conveyance and unwavering delivery. At last, there is the need to adjust the levels of service provision with the cost of that arrangement. The failure of numerous service offerings is often the improbable and
unrecognized high cost of service provision that may, in the occasion, being greater than is required by the client. The way to accomplishing a fruitful client benefit arrangement is to create appropriate objectives through a legitimate structure that incorporates contact with the client, and afterward to gauge, screen and control the methodology that have been set up.

2.5.1 Information Sharing

There is most likely that the accessibility of modest computing power has prompted dramatic advancements in the art of logistics management. The capacity to deal with a lot of information rapidly and precisely has for nearly 50 years truly changed the way business is directed. This has been portrayed, with great interest, as the second mechanical transformation. The capacity share information between supply chain network partnerships by utilization of electronic data interchange is being embraced by an ever increasing number of organizations every day. The approach of mass access to the web has started a blast in both home and office-based shopping, to state nothing of the utilization of electronic messages (e-mail) as a means of communicating with friends and business partners far and wide. Information and correspondence frameworks alongside the related equipment utilized as a part of production network management satisfy diverse roles. They may boost the basic leadership process, help to screen and control operations, create simulated frameworks, store and process information; and aid correspondence between people, organizations and machines.

2.5.2 Transportation

Transportation costs should not only be effective, but service capabilities must also be in line with customer requirements. Cost-effective transportation proves to be of little value to a supply chain if the product does not arrive as scheduled and damage-free to the correct location. It has been realized that high quality customer focused transportation has a direct impact on an organization’s ability to provide the seven “Rs of Logistics” of getting the right product to the right customer, in the right quantity, in the right condition, at the right place, at the right time and at the right cost. Additionally, transportation can create supply chain flexibility. By working with carriers that offer a range of transit time and service options,
organizations can satisfy supply chain demands for expedited, next-day service as well as more economical standard delivery requests.

2.5.3 Customs Clearance

All merchandise, new or utilized, imported into a nation are liable to customs obligation which involves import obligation or import expense and Value Added Tax (VAT) as indicated by their value and import duty categorization. Import obligation rates are determined to a yearly premise and distributed in a 'customs tariff'. The customs tariff gives general information on taxes influencing the import, export and transport of merchandise, valuation of products for import obligation claims computation purposes, VAT and extract obligations which alludes to obligations payable on specific products, for example, wines, spirits and tobacco notwithstanding import obligation. The rate of import obligation differs as indicated by the kind of merchandise being imported and the nation of origin. Often, import obligations are based on a level of the estimation of the merchandise in addition to the transportation and insurance expenses to the nation of destination and may also incorporate such expenses of tools, moulds, plan work, sovereignties and permit charges. VAT, which fluctuates crosswise over various nations is then included. Imperative to note in any case, is that numerous a time, VAT will be the biggest duty to pay on importation. What's more, a customs clearance fee will be charged by the courier or carrier, cargo forwarder or import operator for clearing the merchandise through customs process. There can be further charges for carrying and holding if the merchandise are held up in customs bonded warehouses or because of delayed payment facilitation.

2.5.4 Third Party Logistics (3PLs)

Firms have invested significant attention towards working all the more intimately with other supply chain network members including clients, vendors and different suppliers of logistics services. Basically, this has brought about the development of more important connections among the organizations involved with general supply chain network operations. Consequently, many organizations have been broadening their logistics activities into those of other inventory management network members and facilitators. One method for expanding the logistics operations past the limits of the organization is using outsourced or
contract logistics service vendors. Third party logistics may incorporate providers of services ranging from transportation, warehousing, distribution, financial related services among others. Contingent upon the firm and its position in the business industry, the terms 'contract logistics' and 'outsourcing' are some of the time utilized in place of outsourced logistics. While some industry officials take care to recognize among terms, for example, these, each of these terms alludes comprehensively to the utilization of outside suppliers of logistics services.

2.6 Chapter Summary

This chapter documented an extensive and intensive review of both published and unpublished works including journals, periodicals and books relating to logistics management activities, procedures, requirements and effective customer service provision measures. The review endeavored to outline the logistics management variables together with their internal and external effects in the vital process of effective customer service provision and delivery. The literature review was thus b centered on the introduction, theoretical review, empirical review, summary of knowledge, research gaps, conceptual framework and the operationalization of variables in regard to logistics management operations towards the noble cause of effective customer service provision. All these were thus climaxed with the chapter summary.
CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.0 Introduction

This chapter describes the research design and methodology employed in the study. It is set out under the sub headings of research design, target population, sampling design and technique, data collection instruments and procedures, pilot study, testing of validity and reliability of research instruments, data collection procedure, the analysis and presentation of the collected data.

3.1 Research Design

The researcher adopted a ‘Case Study’ approach of research design. This enabled him to effectively assess the impact of logistics management activities on customer service provision efforts at Agility Logistics Limited. Thus, the researcher sought to gain greater insight in logistics management in the Kenyan service sector generally and got to better understand the contributions and challenges in the logistics service industry in particular.

3.2 Target Population

The study targeted all the employees of Agility Logistics Limited. The groups of employees considered in this study involved the company’s departmental management, sectional heads and general staff. A total of 150 employees were targeted for the study.

Table 3.1 Target Population

<table>
<thead>
<tr>
<th>Category</th>
<th>Target Population</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Departmental Managers</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>Sectional heads</td>
<td>21</td>
<td>14</td>
</tr>
<tr>
<td>General staff</td>
<td>123</td>
<td>82</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100</td>
</tr>
</tbody>
</table>
3.2 Sampling

3.2.1 Sampling Design

The researcher employed Probability Sampling by way of ‘Stratified Sampling Technique’ to select respondents to be included in the study sample. The sampling frame was divided into non-overlapping groups or ‘strata’ which included age brackets, gender, level of education and training, level of employment, department from and the time period worked with the Company.

Stratified sampling refers to a technique that identifies sub-groups in the population and their proportions and then selecting from each sub-group memberships to form a sample (Mugenda and Mugenda, 2003).

3.3.2 Sampling Technique

According to Mugenda and Mugenda (2003), when dealing with an heterogeneous population, the sample size should be at least 30% of the total population so as to adequately capture the heterogeneity or variability of the population.

Therefore, the population was grouped into departmental strata and a sample size of 40% was selected from each group as it was considered to be more representative to generate results reliable for purposes of generalization of the research findings. The sample size obtained was then used for the study.
Table 3.2 Sampling Frame

<table>
<thead>
<tr>
<th>Category</th>
<th>Target Population</th>
<th>Sample Size</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>(40% of Total Population)</td>
<td>Population</td>
</tr>
<tr>
<td>Departmental</td>
<td>6</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>Management</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sectional heads</td>
<td>21</td>
<td>8</td>
<td>13</td>
</tr>
<tr>
<td>General staff</td>
<td>123</td>
<td>49</td>
<td>82</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>60</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Author 2017

3.4 Data Collection Instruments

Questionnaire forms with open and closed ended questions, structured and unstructured interview schedule lists were used as instruments for the collection of data. The instruments were designed to collect data on all the research variables according to the study objectives which were to be achieved and research questions to be answered respectively.

3.5 Pilot Study

3.5.1 Validity

Content validity was determined through professional consultation whereby the questionnaires were given to the research study supervisor who helped establish that the questions in the questionnaires were framed without any ambiguity and that the data collection instruments would clearly measure what they were intended to without any significant difficulty.
3.5.2 Reliability

The research questions were based on the objectives of the study. A pilot study was carried out prior to the main study which helped to assess and ascertain the reliability and accuracy of the research tools and instruments.

3.6 Data Collection Procedure

Data collection procedure involved the self administration of questionnaires with both open and closed ended questions to respondents by the research team. The researcher also made use of unstructured interview schedules on a face to face interaction with the respondents and captured their responses on interview schedule lists for relevant data gathering for analysis purposes. The instruments were designed to collect data on all the research variables according to the study objectives and research questions which were to be achieved and answered respectively.

3.7 Data Analysis and Presentation

Both quantitative and qualitative data analyses were carried out. Descriptive statistics was used to summarize data which helped to describe the sample results obtained from the study. Sekaran (2006) asserts that descriptive statistics technique of data analysis has been found to be compatible and appropriate for data which is qualitative in nature.

The analyzed data was presented in the form of tables, pie charts and bar graphs. The collected data was sorted out to check for completeness and clarity through coding and then entering into a computer statistical package referred to as ‘statistical packages for social sciences’ (SPSS). This statistical package helped to generate frequency distribution tables.

3.8 Ethical Issues

3.8.1 Informed Consent

Permission was sought and granted from both the Management University of Africa and Agility Logistics Limited’s management to carry out the research activity and for data collection respectively.
3.8.2 Voluntary Participation

The researcher approached and informed the target population respondents of the intentions of the study and requested them to fully participate for purposes of making the exercise a success. The researcher urged them to freely and willingly express their feelings and opinions.

3.8.3 Confidentiality

The researcher sought to build desired confidence among the study organization and its target respondents. He took great effort and made a strong appeal to convince respondents that the information collected was to be handled confidentially and was only going to be used for academic purposes.

3.8.4 Privacy

The researcher promised and endeavored to be respectful and sensitive to respondents’ wish and desire for privacy and personal space while conducting this vital exercise.

3.8.5 Anonymity

The researcher promised and ensured that the identity of the participants was kept confidential and anonymous. This was for purposes of guaranteeing protection and hence shielding the study participants from future management victimization and punishment due to aired views and opinions that would seem not acceptable or to go down well with the company’s management.

3.9 Chapter Summary

This chapter focused on such aspects as the introduction, research design, target population, sampling, sampling design, sampling technique, data collection instruments, pilot study, data analysis and presentation, ethical issues and the chapter summary.
CHAPTER FOUR

RESEARCH FINDINGS AND DISCUSSION

4.0 Introduction

This chapter provides the analysis, presentation and interpretation of results from the collected data as per the research objectives and questions. A total of sixty questionnaire forms were prepared and self administered by the researcher. The research questions were objectively designed so as to guarantee the adequate capturing of appropriate desired facts for purposes of effective assessment of factors affecting logistics management activities in regard to customer service provision in Agility Logistics.

4.1 Quantitative Analysis

4.1.1 Response Rate

Table 4.1 Response Rate

<table>
<thead>
<tr>
<th>Questionnaire Forms</th>
<th>Response</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Filled</td>
<td>60</td>
<td>100</td>
</tr>
<tr>
<td>Not filled</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>100</td>
</tr>
</tbody>
</table>

Figure 4.1 Response Rate
From a total of 60 questionnaire forms prepared by the researcher, all were dully filled which represented a response rate of 100%. Mugenda and Mugenda (1999) assert that a response rate of at least 50% is considered to be adequate for data analysis and the eventual reporting of research findings.

4.1.2 Personal Information

4.1.2.1 Age

The age of those interviewed had those below 25 years of age at 10% and then the majority was between 26-30 years at 35%. Those between 31-35 years stood at 27% and those between 36-40 years recorded 13%.

Table 4.2 Age Analysis

<table>
<thead>
<tr>
<th>Respondent Characteristics</th>
<th>Category</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>25 years and below</td>
<td>6</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>26-30</td>
<td>21</td>
<td>35</td>
</tr>
<tr>
<td></td>
<td>31-35</td>
<td>16</td>
<td>27</td>
</tr>
<tr>
<td></td>
<td>36-40</td>
<td>8</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>41 years and above</td>
<td>9</td>
<td>15</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>60</td>
<td>100</td>
</tr>
</tbody>
</table>
4.1.2.2 Gender

Personal demographic information was necessary to be established for purposes of gathering background information of the respondents for analysis. A total population of 60 respondents comprising of 38 men and 22 women were involved at 63% and 37% respectively. It proved that men were dominant in the study.

<table>
<thead>
<tr>
<th>Table 4.3 Gender Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Respondent Characteristics</strong></td>
</tr>
<tr>
<td>Gender</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>
4.1.2.3 Highest Level of Education

From the analysis on levels of education of the respondents, it was noted that 38% of the sample population possessed a tertiary training certificate, 32% were diploma holders, 20% of the remaining were bachelors degree holders then those with post graduate degrees were 10%.

**Table 4.4 Highest Level of Education Analysis**

<table>
<thead>
<tr>
<th>Respondents Characteristics</th>
<th>Category</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highest Education Level</td>
<td>Certificate</td>
<td>23</td>
<td>38</td>
</tr>
<tr>
<td></td>
<td>Diploma</td>
<td>19</td>
<td>32</td>
</tr>
<tr>
<td></td>
<td>Bachelors Degree</td>
<td>12</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>Post Graduate Degree</td>
<td>6</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td><strong>60</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>
4.1.2.4 Duration Worked in the Company

In regard to individual employee working duration with the company, it was established that those who had worked between 1-2 years were at 18% with majority having worked there for more than 5 years at 59% and those in duration bracket 3-4 years scored 23%.

Table 4.5 Duration Worked in the Company Analysis

<table>
<thead>
<tr>
<th>Respondent Characteristics</th>
<th>Category</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Duration Worked in the Company</td>
<td>1-2 years</td>
<td>11</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td>3-4 years</td>
<td>14</td>
<td>23</td>
</tr>
<tr>
<td></td>
<td>Above 5 years</td>
<td>35</td>
<td>59</td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td>60</td>
<td>100</td>
</tr>
</tbody>
</table>
4.2 Qualitative Analysis

4.2.1 Information Sharing

This study endeavored to find out the effect of electronic information sharing systems and channels in logistics management and their potential contribution to the enhanced growth and development of effective international cross-border logistics management activities for purposes of increased customer service delivery and provision.

Table 4.6 Whether Logistics Information Sharing Has a Positive Impact to Customer Service Delivery

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Absolutely</td>
<td>43</td>
<td>72</td>
</tr>
<tr>
<td>To some extent</td>
<td>12</td>
<td>20</td>
</tr>
<tr>
<td>Not at all</td>
<td>5</td>
<td>8</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>100</td>
</tr>
</tbody>
</table>
A majority of respondents standing at 72% believed that logistics information sharing technology systems and electronic channels to a greater extent had a positive impact on logistics service delivery to the company’s customers and 20% indicated that it was satisfactory to some extent. 8% of the respondents felt that the prevailing logistics information sharing systems and channels had no meaningful positive effect at all to satisfactory customer service provision in the company.

### 4.2.2 Electronic Data Interchange Effectiveness

The researcher sought to establish whether electronic data sharing in terms of computer to computer exchanges of structured data for automatic processing was effective.

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>37</td>
<td>62</td>
</tr>
<tr>
<td>No</td>
<td>23</td>
<td>38</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>60</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>
It was noted that electronic data interchanges were effective according to a fairly greater extent at 62% of the target respondents.

4.2.3 Potential Adverse Electronic Data Interchange Effect on Logistics Management Activities

It was necessary to find out if logistics management operations and strategy implementation could be affected by electronic data sharing and the following information was established.
Table 4.8 Potential Adverse Effect of Electronic Data sharing on Logistics Management Activities

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>18</td>
<td>30</td>
</tr>
<tr>
<td>Agree</td>
<td>28</td>
<td>46</td>
</tr>
<tr>
<td>Disagree</td>
<td>10</td>
<td>17</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>4</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>60</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Figure 4.8 Potential Adverse Effect of Electronic Data Interchange on Logistics Management Activities

More than 76% of respondents believed that electronic data interchange services could adversely affect logistics management operations if not well planned, designed, implemented, monitored, evaluated and managed.
4.2.4 Impact of Bar Coding on Logistics Management

The researcher explored on the effects of the bar codes on overall logistics management activities and the following findings were generated.

Table 4.9 Effect of Bar Coding on Logistics Management

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Great impact</td>
<td>21</td>
<td>35</td>
</tr>
<tr>
<td>Moderate impact</td>
<td>29</td>
<td>48</td>
</tr>
<tr>
<td>Little impact</td>
<td>8</td>
<td>14</td>
</tr>
<tr>
<td>No impact</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>60</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

The respondents indicated that bar coding which is normally employed for purposes of identifying and tracking of goods and company assets at all stages in the supply chain process had a great impact on the management of logistics activities according to 35%
respondents and a fairly normal impact as per 48% of the respondents. 14% and 3% of the respondents thought that they had little if any and no impact at all respectively.

4.2.5 Order Processing Effects on Logistics Management Activities

The researcher sought to establish the effect of order processing and fulfillment efforts on logistics management measures and customer service provision effectiveness.

Table 4.10 Order Processing Effects on Logistics Management Activities

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>13</td>
<td>22</td>
</tr>
<tr>
<td>Somehow</td>
<td>16</td>
<td>26</td>
</tr>
<tr>
<td>Not sure</td>
<td>22</td>
<td>37</td>
</tr>
<tr>
<td>No</td>
<td>9</td>
<td>15</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>60</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Figure 4.10 Order Processing Effects on Logistics Management Activities
From the data analysis 22% agreed order processing had an effect on logistics management, 26% believed to some extent somehow, 37% were not very sure and 5% did not agree that customer order processing in terms of the allocation of stock and the construction of picking schedules had any significant effects on logistics management and customer service provision activities in the company.

4.2.6 Mode of Transport Selection Effect on Logistics Management

This was meant to ascertain whether the selection on mode of transport could affect logistics management activities.

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>42</td>
<td>70</td>
</tr>
<tr>
<td>No</td>
<td>18</td>
<td>30</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>100</td>
</tr>
</tbody>
</table>
Transport mode proved to have a significant effect on logistics management activities according to 70% of the respondents and the remaining 30% believed it did not.

4.2.7 Conventional Sea Freight Effect on Logistics Management Activities
It was necessary to establish the extent to which conventional sea freight made an impact on logistics management activities in the company since this mode of transport is commonly characterized by economic costs, reduced speed, delays and increased rates of damage to goods on transit due to double-handling activities.
Table 4.12 Conventional Sea Freight Effect on Logistics Management Activities

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Great extent</td>
<td>31</td>
<td>52</td>
</tr>
<tr>
<td>Moderate extent</td>
<td>21</td>
<td>35</td>
</tr>
<tr>
<td>Low extent</td>
<td>6</td>
<td>10</td>
</tr>
<tr>
<td>No effect</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>60</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Figure 4.12 Conventional Sea Freight Effect on Logistics Management Activities

It was discovered that conventional sea freight had a 52% effect on the effective execution of company logistics management operation efforts. 35% of respondents believed it had an averagely normal effect whereas 10% thought the effect to be low. A mere 3% of respondents believed that conventional sea freight had no effect at all on logistics management activities in the organization.
4.2.8 Effect of Road Transport to Effective Logistics Service Provision

The study sought to establish likely positive effect of road transport to effective company logistics management and customer service provision efforts.

Table 4.13 Effect of Road Transport to Effective Logistics Management Service Provision

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>7</td>
<td>11</td>
</tr>
<tr>
<td>Somehow</td>
<td>13</td>
<td>22</td>
</tr>
<tr>
<td>Not sure</td>
<td>24</td>
<td>40</td>
</tr>
<tr>
<td>No</td>
<td>16</td>
<td>27</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>60</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Figure 4.13 Effect of Road Transport on Effective Logistics Management Service Provision
It was noted that 11% agreed to road transport being convenient for effective logistics service delivery, 22% felt it had a somehow little effect, 40% were not quite sure while 27% disagreed.

4.2.9 The Effect of Air Freight Services on Logistics Management Effectiveness

This study made efforts to establish the extent to which air freight services affect the effectiveness of logistics management operations and customer service provision in the company.

Table 4.14 Effect of Air Freight Services on Logistics Management Effectiveness

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Great extent</td>
<td>17</td>
<td>29</td>
</tr>
<tr>
<td>Moderate extent</td>
<td>22</td>
<td>37</td>
</tr>
<tr>
<td>Low extent</td>
<td>11</td>
<td>18</td>
</tr>
<tr>
<td>No effect</td>
<td>10</td>
<td>16</td>
</tr>
<tr>
<td>Total</td>
<td><strong>60</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>
It was noted that air freight services significantly had a 37% moderate effect to the effectiveness of logistics management on customer service delivery operations. 29% of the total respondents believed there was no great effect, 18% said the effect was low and the 18% of respondents thought there was no significant effect.

4.2.10 Effect of Customs Clearance Regulations and Procedures on Overall Logistics Management Activities

The researcher aimed at establishing as to whether government customs clearance regulations and procedures significantly affected the general management of logistics activities in the company.
Table 4.15  Effect of Customs Clearance Regulations and Procedures on Overall Logistics Management Activities

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>43</td>
<td>71</td>
</tr>
<tr>
<td>No</td>
<td>17</td>
<td>29</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>100</td>
</tr>
</tbody>
</table>

Figure 4.15  Effect of Customs Clearance Regulations and Procedures on Overall Logistics Management Activities

An overwhelming majority of respondents strongly believed that the existing government customs clearance regulations and procedures had a significant effect on logistics management operations in the company at 71% while 29% of the respondents felt otherwise.
4.2.11 Completing Customs Clearance Documents in Good Time to Avoid Delays

This was meant to help explore on the effect of timely documentation of all the necessary documents for customs clearance.

Table 4.16 Completing of Customs Clearance Documents in Good Time to Avoid Delays

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>21</td>
<td>35</td>
</tr>
<tr>
<td>Agree</td>
<td>26</td>
<td>43</td>
</tr>
<tr>
<td>Disagree</td>
<td>10</td>
<td>17</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>100</td>
</tr>
</tbody>
</table>

Figure 4.16 Completing of Customs Clearance Documents in Good Time to Avoid Delays
It was noted according to the respondents that 78% agreed it was necessary to complete relevant customs clearance documents in good time to avoid major clearance delays, 17% disagreed and 5% strongly did not agree on whether that was important.

4.2.12 Whether Freight Forwarders Services Prove Convenient Than Those of Agents

The study aimed at identifying if freight forwarder services were more convenient to the company than those of agents at origins for shipment picking, packing, customs clearance, booking and delivery to carriers.

Table 4.17  Conveniences of Freight Forwarder Services as Compared to Agents

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very convenient</td>
<td>18</td>
<td>29</td>
</tr>
<tr>
<td>Moderate</td>
<td>24</td>
<td>40</td>
</tr>
<tr>
<td>Less convenient</td>
<td>10</td>
<td>17</td>
</tr>
<tr>
<td>Not convenient</td>
<td>8</td>
<td>14</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>60</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Figure 4.17  Conveniences of Freight Forwarder Services as Compared to Agents
The results indicated that 29% of the respondents believed freight forwarders’ services to be very convenient than those of agents, 40% felt they were fairly reliable and thus moderate, 17% thought they were less convenient and 14% believed freight forwarder services to be inconvenient.

4.2.13 Need for Third Party Logistics Services for the Effective Management of Logistics Service Delivery Operations

This research study tried to find out the potential need and necessity of third party logistics services in the effective management of logistics operations.

Table 4.18 Need for Third Party Logistics Services for Effective Management of Logistics Operations

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>44</td>
<td>74</td>
</tr>
<tr>
<td>No</td>
<td>16</td>
<td>26</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>100</td>
</tr>
</tbody>
</table>
74% of the total respondents agreed that third party logistics services are necessary for effective logistics management operations whereas the remaining 26% did not agree.

4.2.14 Effect of Third Party Logistics Services on Effective Logistics Management and Service Delivery

The researcher felt it was essential to establish the extent to which third party logistics services contribute to the effective customer service delivery in the company.
Table 4.19 Effect of Third Party Logistics Services on Effective Logistics Management and Service Delivery

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Great extent</td>
<td>15</td>
<td>25</td>
</tr>
<tr>
<td>Moderate</td>
<td>19</td>
<td>32</td>
</tr>
<tr>
<td>Low extent</td>
<td>18</td>
<td>30</td>
</tr>
<tr>
<td>No effect</td>
<td>8</td>
<td>13</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>100</td>
</tr>
</tbody>
</table>

Figure 4.19 Effect of Third Party Logistics Services on Effective Logistics Management and Service Delivery

It was established that 25% of the respondents believed that third party logistics services well supported and highly contributed to the company’s logistics management activities and customer service delivery efforts, 32% believed effect to be moderate, 30% thought the effect was low and 13% felt there was no effect.
4.2.15 Importance of Third Party Information Based Logistics in Logistics Management Activities

This research study sought to find out on the potential positive contribution of third party information based logistics in the form of internet-based channels, business to business information sharing systems among others to the company’s logistics management of activities.

Table 4.20 Importance of Third Party Information Based Logistics in Logistics Management Activities

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>22</td>
<td>36</td>
</tr>
<tr>
<td>Somehow</td>
<td>12</td>
<td>20</td>
</tr>
<tr>
<td>Not sure</td>
<td>19</td>
<td>32</td>
</tr>
<tr>
<td>No</td>
<td>7</td>
<td>12</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>100</td>
</tr>
</tbody>
</table>

Figure 4.20 Importance of Third Party Information Based Logistics in Logistics Management Activities
It was noted from the respondents that 36% believed that was important, 20% felt it was somehow important, 32% were not very sure on any relevant contribution and 12% disagreed that third party information based logistics was not important for the management of logistics operations in the company.

4.3 Chapter Summary

This chapter was centred on research findings and their discussion. It entails the introduction part, quantitative and qualitative analyses and presentation of research findings in the form of tables, graphs and charts. Finally, it provides the chapter summary.
CHAPTER FIVE

SUMMARY, RECOMMENDATIONS AND CONCLUSION

5.0 Introduction

This research study was interested in finding out on the factors affecting logistics management in the service sector in Kenya. This chapter presents the summary of what had been discovered from the data analysis in chapter four divided into sub-sections as including summary, conclusion from the summary and then recommendations derived from the conclusion. It also suggests further relevant research aspects for prospective future researchers.

5.1 Summary of Findings

5.1.1 Personal Information

Male participants were more than the women from the respondents. Those below the age of 25 years were at 10% and the majority were between 26-30 years at 35%. Those between 31-35 years stood at 27%, between 36-40 years at 13% and then those above 40 years were at 15%. The respondents with the tertiary certificate course qualification were more at 38% followed by diploma holders at 32%, bachelor’s degree at 20% and then post graduate at 10%. For the employment period served in Agility Logistics, those who had worked for more than five years were many at 59%, between 3-4 years came second at 23% and then 1-2 years at 18%.

5.1.2 Effect of Information Sharing Activities on Logistics Management in Agility Limited

Logistics information sharing measures proved to have a greater positive influence on the effective logistics management and customer service delivery effort at 72% confidence from respondents. Electronic data exchange proved to be effective according to 62% of the respondents while 38% termed it not effective. Logistics management activities could be adversely affected by electronic data interchange networks according to 76% of participants if not well planned, designed, implemented, monitored and managed. On the impact of bar
coding use for identifying and tracking goods at all stages in the supply chain processes and logistics management activities, only 35% believed it could have a significantly great impact. It was also revealed that order processing measures in terms of stock allocation and the order picking schedule plans had a significantly low effect on the success of logistics management efforts according to 22% of the respondents.

5.1.3 Extent to Which Transportation Mode Selection and Choice Affects Logistics Management in Agility Limited

The selection and choice of the mode of transport would have a significantly high effect on logistics management activities according to 70% of the respondents. Conventional sea freight proved to pose a 52% contribution rate on the effective performance of logistics management activities. On the convenience and effectiveness of road transport on logistics operations, only 34% of the respondents believed it was convenient. Air freight was affirmed to reasonably affect logistics operations and service delivery at a total combined response rate of 66%.

5.1.4 How Customs Clearance Regulations and Procedures Affect Logistics Management in Agility Limited

A great majority of respondents standing at 71% asserted that government customs clearance regulations and procedures affect the general management and effective execution of logistics operations. Regarding customs clearance documentation, a total of 78% of the participants generally agreed that it was imperative to prepare and process all the relevant documents in good time for purposes of smooth and effective customs clearance activities. 69% of respondents believed freight forwarder services to be convenient than those of handling agents in relation to logistics management operations and service delivery.

5.1.5 Effect of Third Party Logistics Services on Logistics Management in Agility Limited

Most of the respondents at 74% agreed that third party logistics services were necessary for effective logistics management operations while the remaining 26% felt otherwise. It was also established that third party logistics services well supported and reasonably contributed to the company’s logistics management activities and customer service delivery efforts.
through a 57% confidence level. Finally, quite a low level of respondents believed that third party information based logistics was important for the effective management of logistics operations in the company at 36%.

5.2 Recommendations

I strongly recommend that today’s logistics management organizations consider employing more qualified and information technology skilled and competent personnel for purposes of ensuring effective competition and performance in their respective fields of operation. Through such employee teams, prevailing and emerging service provision opportunities and customer service delivery could be efficiently and effectively exploited and enhanced by virtue of employees being able to notice, comprehend, pro-actively act and initiate appropriate cost effective measures in the current ever dynamic and relatively new growing field of logistics and operations management. Logistics could involve various aspects and agents beyond national borders quite often with the major intention of facilitating and effectively coordinating integrated supply chain and distribution activities.

As a result therefore, logistics service providers and organizational management should remain awake and always committed to the following key best practice supply chain management aspects:

Actively and passionately embrace the use and exploit opportunities brought along by logistics information sharing networks and systems such as electronic data interchange, bar coding, intra-nets and the internet.

Discover and exploit the most convenient and cost effective routes, channels and modes of transport at all times for purposes of enhanced satisfactory customer service provision and improved profitability without compromising present and future organizational logistics management operations.

Strictly and always seek to and adhere to laid down applicable government policies such as customs clearance regulations and procedures so as to eliminate unnecessary goods clearance and discharge delays and penalties which would normally lead to loss of key organizational customers and reduced company profitability.
Organizations should seek and establish long-term partnership relationships with relevant key and reliable third party logistics service providers whenever need arises for purposes of guaranteed present and future quality, cost effective and reliable service provision under strict customer service delivery and contract performance guidelines.

Finally, governments and other organizations generally should seek to better understand the dynamics, challenges and hindrances to effective logistics management operations and take pro-active timely steps and measures so as us to make logistics operations execution more convenient, smooth and cost effective to users. Both public and private institutions need to appreciate the potential positive impact of logistics activities to their systems if embraced, implemented and well managed. Therefore, they should invest some of their resources to carry out research and development activities on the ever dynamic and critical field of logistics management as this could otherwise determine the future survival or demise of those organizations.

### 5.3 Conclusion

Firstly, logistics information sharing services proved to have a significant impact on logistics management operations aimed at effective customer service provision and delivery. It also emerged that electronic data interchange measures if well planned, designed, implemented and managed would greatly enhance the effectiveness of logistics operations.

Secondly, transportation mode selection and choice was discovered to significantly contribute to effective logistics management and customer service provision initiatives. Most cost effective, convenient and reliable modes of transport need to be identified in regard to both urgency, value, weight, bulkness and customer preferences.

Third, government customs service regulations and procedures were realized to have a substantial impact on the effective execution of logistics management operations. Relevant and necessary customs clearance documents need to be prepared and provided well ahead of time for purposes of smooth customs clearance activities.
Finally, third party logistics service provision proved to be very important for purposes of timely logistics service provision initiatives in areas where the company falls short of facilities and assets and at times when demand rises and specialized handling needs prevail.