FACTORS AFFECTING THE MANAGEMENT OF LOGISTICS COMPANIES IN KENYA: A CASE STUDY OF METRO LOGISTICS KENYA LIMITED

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APRIL 2023

DECLARATION

Declaration by the Student

This project is my original work and has not been presented for a degree in any other University

Signature..... **Date**..... .....

Njue Beth Kendi

BML/28/01119/1/21

Declaration by the Supervisor

This project has been submitted for examination with my approval as University Supervisor

Signature…… **Date ……...**

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The Management University of Africa

DEDICATION

I dedicate this research work to my sponsor Jacobsen, my husband Mr. Mutuiri and daughter Zia for their contribution to my academic success.

ACKNOWLEDGEMENT

I acknowledge my school supervisor Dr. Joseph Omondi for his continuous guidance in writing this research work. I appreciate the management and my fellow classmates at the Management University of Africa for all support the have provided to me throughout my academic studies. I acknowledge the management of Metro Logistics Kenya Ltd, the firm that i applied as a case study.

ABSTRACT

Logistics function is an essential factor towards an organization success, customer satisfaction and competitive advantage. Effective management of the logistics function in terms of goods and services comprises of certain defined processes that starts from the need recognition, timely delivery to the end user and timely payment of the suppliers. Logistics enhances effective connection of the supply base with the market place enhanced through the coordination and the management of various organization activities. This study established various factors that affect the management of logistics companies in Kenya, a case study of Metro Logistics Kenya Ltd. The specific objectives were to determine the effect of staff training, information technology, organization policy and working capital on management of Metro Logistics Kenya Ltd. This study will benefit the management of Metro Logistics Kenya Ltd, other logistics companies and other researchers. This study applied the use of the Principal-Agent Theory of Michael Jensen and William Meckling of (1976) and the Theory of Constraints by Dr. Eliyahu Goldratt in (1984). The target population was 112 employees. The use of questionnaires as data collection instrument was adopted. Data analysis was through the use of Microsoft Excel Sheet and the presentation through the use of tables.

The study findings established staff training, information technology, organization policy and working capital as being the key factors in the management of logistics companies in Kenya. The study concludes that, staff training program is one of the key factors that affect the management of logistics companies. Training helps employees in logistic companies to acquire basic skills, knowledge and competence on how best to conduct the organization operations thus enhancing the organization success. Information technology is an essential element towards effective management of logistics companies in that it enhances better recording keeping, efficiency and better communication. Organization policy adopted within logistics companies affects their management. Better organization policy adopted results to effective provision of various rules and regulations regarding how various organizational operations should be conducted and chain of command thereby leading to minimal confusion within the organization. Working capital is one of the key essential factors towards effective management of logistic companies. Availability of enough working capital will enhance logistic companies to be able to effectively conduct their organizational operations due their ability of acquiring and basic resources required in conducting the organization operations.

The study recommends that, the management of Metro Logistics Kenya Ltd should adopt the use of on and off training programs to its employees. These training programs will enable employees to be equipped with various competency, skills and knowledge on how best to undertake their various organizational roles and responsibilities thereby resulting to the organization success. The organization should adopt the use modern information technology systems within logistic operations to enable it to enhance its record keeping system, efficiency, better communication channels, security and the simplification of various operations. The organization should involve experts in the formation of its various organization policies. The expert opinion will help in ensuring that policies formed does not violets anyone's right within the organization thus enhancing better employee and management relationship. The organization should ensure better planning and management of funds allocated as the organization working capital. This will minimize chances of cases of financial misuse and misappropriation, which at the end will result to better management of the organization.

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LIST OF ABBREVIATIONS

CSCMP	Supply Chain Management Professionals
MUA	Management University of Africa
NRB	Nairobi

OPERATIONAL DEFINITION OF TERMS

Information Technology This is the application of computer network systems and other modern information technology systems by logistics companies to communicate and keeping their records.

Organization Policy These are various guidelines that are developed and approved by the organization board of directors designed to define the way it conducts business.

Staff Training This is a process where logistics companies train its employees to equip them with various skills and knowledge to enable them to undertake their duties better than before

Working Capital This is the total amount of capital available that an organization can steadily apply for its daily operations. It is also the difference between the firms' currents assets and its current liabilities.

CHAPTER ONE
INTRODUCTION

1.0 Introduction

This chapter introduces the background of the study. It includes the statement of the problem, objectives of the study, research questions, significance of the study, the limitations of the study and the scope of the study.

1.1 Background of the Study

The Council of Supply Chain Management Professionals (CSCMP, 2018) defines logistic as being one of the part of supply chain management plans which help in the creation and monitoring of the efficiency of the flow and the storage of goods together with the flow of information between the products or goods origin and their consumption point with an aim of meeting the customer requirements. Al-Doori (2019) revealed that, logistics management on its part is a function that coordinates and optimizes all logistics operations with other related operations in the supply chain management function. The success of the logistics function is when the final customer is supplied with the right products or services in relation to the provided requirements at the right time, in the right condition and at the right desired place at minimum cost.

A study by Goldsby (2019) on the Critical role of transportation in business and the economy in the United States of America established that, logistics across the world has evolved from the warehousing and transportation concept to become one of the strategic functions within the organization. This is due to its high contribution and it's extended beyond the organization boundaries into the supply chain. The function has enabled effective synchronization of the material movement and information between different business processes. According to Mae, and Ohno (2019), logistics operations has enabled various business organizations to enter into the international market with an aim of getting access to new markets, establishing high production efficiencies and being able to tap on the new technological innovation beyond their geographical areas.

Manso, Annan and Anane (2018) study on the assessment of logistics management in Ghana distribution service revealed that, due to advance in the information technology system, the

benefits of logistics operations tend to arise from firms getting globally for the expansion of new target markets. The performance of logistic function has a direct effect on the entire organization performance. This is as a result of its ability to link the organization to its esteemed customer. The success of the logistics function helps in the enhancing customer loyalty which is an essential asset on the organization success. Vlachos (2016) indicates that, logistics management and operation tends to comprise a high level of data and materials that cuts across the organization. Logistics pervasiveness has developed and intensified within time due to the rise of new advances and the formation of essential strategic alliances with an aim of final customer satisfaction.

Kilasi, Juma and Mathooko (2018) study on the impact of outsourcing of logistics on the competitive advantage strategy of the East African Breweries Limited, the success of logistics function within the organization relies on the mode of service delivery, the duration taken in the supply function and the competitive advantage the company has. Business logistics requires a continuous improvement to enhance robust and sustainable growth. Through the improvement of logistic operations, organizations end up gaining and sustaining a high edge compared to its competitors As being one of the key and essential determinants of an firms performance, logistics function ensures effective and free smooth flow of materials, organization products and essential information within the company's supply chains.

1.1.1 Staff Training

Lysons and Farrington (2019) define staff training as an organization process aiming at increasing the skills and knowledge of particular employees for performing a specific roles and responsibilities. Ralston (2018) indicates that, training is one of the essential elements within an organization as it helps in creation of a learning culture among employees within the organization. Staff training management is an essential pillar in the effective management of logistic companies since it helps in insuring that organization employees continue in their skills development beyond traditional skills training. When the management of logistic companies provides various opportunities in terms of relevant professional development for its employees, it helps in increase of the organization productivity, customer satisfaction and increase revenue generation. When employees within the logistic companies gain the right skills, knowledge and competency through effective staff training programs, this employee

normally stays relevant and become able to take various new work challenges and thereby enhancing effective organization performance (Karimi and Rafiee, 2019).

This research study adopted the use of staff training as one of its key and essential factor that affects the management of logistic companies in Kenya. Training helps logistics company employees to acquire essential skills and knowledge on how best to undertake their organizational operations and thereby enhancing their productivity.

1.1.2 Information Technology

According to Goldsby (2019), information technology is the use of telecommunication and computer systems in the storage, retrieving and the sending of information. Information technology helps in the improvement of the organization productivity through the automation of various organization processes and various data analysis. Carter and Jennings (2020) research study established that, with the help of modern information technology systems, logistic companies operations can easily be organized, coordinated and be arranged uniformly. Information technology helps in the analyzing of certain data and help business organizations in the planning of its future growth and development. The use of information technology system had enabled the logistic companies in enhancing better data storage, provision of electronic security and efficient communication within the organization. This is through the ability of the information technology systems providing various frameworks of various tasks and projects that organization employees can easily follow (Springinklee, 2019).

The use of information technology as one of the independent variables in this research study will be enhanced to explain how modern information technology systems has enhanced the management of logistics companies through its efficiency, effectiveness, time saving and general simplification of the organization operations.

1.1.3 Organization Policy

According to Lysons (2019), organization policy is body of the organization principles expressed, laid down to direct this particular organization towards its objectives. Policy is basic within logistics companies and must be adhered to by all target categories in their activities throughout the organization at cooperate and operational level. Organization policies

are essential in logistic companies since they help in providing authority based principles for a given course of action, they provide guidelines when formulating functional and operational strategies. Organization policy also provides a basis for management control and allows coordination across organizational units and reduces time spent by managers in decision making (Vlachos, 2018).

Organization policy as one of the study independent variable was adopted in this research study since it is one of the factors that affect the management of logistic companies. The adoption of effective organization policy within logistics companies help in providing rules and guidelines on how best logistics operations should be conducted thus enhancing the organization operation efficiency.

1.1.4 Working Capital

Working capital has been defined by Ralston (2018) as the total amount of capital available that an organization can steadily apply for its daily operations; it is also the difference between the firms' currents assets and its current liabilities. Mellat, Parast and Spillan (2019) argued that, working capital tends to affect various aspects of logistics companies business from the employees payment and the planning of the business for its sustainable long-term growth. It is the total amount of funds that logistics companies have that enables them to effectively meet its current, short-term obligations. Working capital within logistic companies is achieved when subtracting and obtaining the difference between current assets and current liabilities. Positive working capital implies that logistic companies can easily pay its bills and achieve its investments to enhance the business growth (Kilasi, Juma, Mathooko, 2018).

1.1.5 Metro Logistics Kenya Limited

Metro Logistics is a medium sized transport company that was established in the year 2003. The company offers both staff transport and various cargo transport solutions. The company operates over a total number of over three hundred commercial and support vehicles that has resulted to the employment of more workforces. The organization has a highly dedicated staff with an organization goal of building and sustaining a strong and a long term relationship with customer through provision of efficient and personalized services at all times. The vision of this firm is the anticipation of the customer's needs and delivering on every commitment that

the organization makes. The mission of this firm is to cultivate and enhance a well mutual beneficial relationship with customers, suppliers and associates.

1.2 Statement of the Problem

Jennings (2020) indicates that, logistics management plays an essential role in supporting various organizations to strive for efficiency and be able to achieve their various goals and objectives. As in business operations, ineffectiveness and inefficient within the logistics management systems together the organization internal inefficient management will highly hinder the organization to effectively respond on customers' needs and expectations thereby resulting to the organization experiencing a competitive disadvantage situation against its rivals (Goldsby, 2019).

The investigation conducted by the Kenya Industrial Chamber of Commerce (KICC) (2018) revealed that, the cost of quality calculated on average accounted for 16.5% of the total market revenue and 24% of the total logistics management costs. Metro Logistics Kenya Limited Company has been in operation over sometimes and it is a company that has been expected to develop effective practice in its logistics management function as the company continue to exploit the emerging and the existing provision of various logistics service as it effectively manage various existing treats. According to the Metro Logistics Kenya Limited Company Annual Report (2018), the most significant logistics cost that the organization experiences are 58% representing the transportation costs, 23% representing the inventory carrying cost and 11% representing warehouse cost. These total costs jointly accounts for the 92% of all the organization logistic costs. Since these cost makes it hard for this organization to strike a balance between increased stocks against the expectations of the improved services level mandated its various esteemed customers, the organization has put in various measures on how best to control and manage this trend. Furthermore, Metro Logistics Kenya Limited has experienced a very high competition from other logistic companies over their market share and this has put more pressure to the organization management to implement various logistics management practices like tracking of inventory and the implementation of technology and automation in logistics management function to help the organization continue holding its market share (Karimi and Rafiee, 2019).

A number of empirical studies have been conducted in relation to the area of logistics management. A research study by Manso, Annan and Anane (2018) on the assessment of logistics management in Ghana distribution service established information technology and managerial skills as being basic in the success of logistics management function. A study by Mellat-Parast and Spillan (2019) on logistics and supply chain process integration as a source of competitive advantage established employee competency and leadership are essential in the integration of logistics and supply chain operations. As we agreed with the empirical studies, little has been written in relation to factors affecting management of logistic at Metro Logistics Kenya Limited, therefore this study was conducted to determine these factors and provide effective measures through the study recommendations on how best the management of this firm can solve this challenge.

1.3 Objective of the Study

1.3.1 General Objective

The general objective was to assess factors affecting management of logistic companies in Kenya with reference to Metro Logistics Kenya Limited

1.3.2 Specific Objectives

i. To determine the effect of staff training on the management of Metro Logistics Kenya Limited
ii. To establish the effect of information technology on the management of Metro Logistics Kenya Limited
iii. To establish the effect of organization policy on the management of Metro Logistics Kenya Limited
iv. To determine the effect of working capital on the management of Metro Logistics Kenya Limited

1.4 Research Questions

i. To what extent does staff training affect the management of Metro Logistics Kenya Limited?
ii. How does information technology affect the management of Metro Logistics Kenya Limited?

iii. To what extent does organization policy affect the management of Metro Logistics Kenya Limited?

iv. What is the effect of working capital on the management of Metro Logistics Kenya Limited?

1.5 Significance of the Study

The management of Metro Logistics Kenya Ltd will be the first and main beneficiary of this research study. Through this research study, the management of this firm will be in a position of determining various factors that affects its organization management, and thus developing effective measures on how to encounter these factors for better organization management.

This study finding will also be useful to the management of other logistics companies. By the help of this study, the management of these companies will be able to determine various factors that affect their organization management and thereby developing effective means on how best to manage its operations.

This research study will also be of great benefit to the current researchers and the future researchers. This study will act as a source of reference material to the current and future researchers who may have any intention of conducting a research study on this subject topic or any other related research work.

This study will help in informing various policy makers various matters in relation to logistics management to enable them to develop and put in place right and effective policies like effective custom clearance regulations. Effective policies will help in guiding various logistic companies on right procedures to follow when conducting their logistics operations.

1.6 Scope of the Study

This study aimed at establishing factors affecting management of Metro Logistics Kenya Ltd, located opposite ICD Gate B, Old Mombasa Road off Mombasa Road in Nairobi. This study took a period of six months from September to February 2023 to be complete.

1.7 Chapter Summary

This chapter has the background of the study which provides and outline of the various previous researchers' contribution on the main study topic. The statement of the problem outlines what the problem is and the need for this study. There are study objectives that provide a relationship between dependent and independent variables. This study beneficiary has been discussed on significance of the study. The scope of the study outlines where this study will be conducted, target population and the time the study will take to be completed.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter addresses the study literature review. It contains the theoretical literature review, empirical literature review, summary and research gaps, conceptual framework and the operationalization of variables.

2.1 Theoretical Literature Review

This study applied the use of the Principal-Agent Theory of Michael Jensen and William Meckling and the Theory of Constraints by Dr. Eliyahu Goldratt in establishing various factors affecting management of logistic companies.

2.1.1 Principle-Agent Theory

The Principle-Agent Theory was developed by Michael Jensen and William Meckling in 1976. This theory is basically concerned with the interaction of between a principal and an agent that tend to act, with an aiming of structuring incentives for an agent to act for the benefit and on the behave of the principal (the owner). According to Garen (2019), the Principle-Agent Theory outlines that, despite the company shareholders having the company ownership, the company control and is in the hands of its directors. The company directors since they are too fragmented and too remote for their seat of power, in the exercise of the company control and are prepared to leave the control of the company to the executive directors for the determination of the company affairs, this may at time results to conflict of interest in that the directors may adopt various actions that may be detrimental to the shareholders like the diversification of the new profits to risky new business enterprises rather than providing dividend's to the shareholders (Popov and Simonova, 2018).

According to Steyn (2019), to get round with this challenge, the principal may decide to implement various incentives payment schemes on an agent with an aim of aligning the agent's interest more closer with the company interest with an aim of encouraging and dedicating the agent attention for their optimum performance. This theory is relevant to this study in that, logistic operations are a series of agreements between various shareholders. The agency relationship in logistics companies tend to arise when the company owners who are

the principal tend to hire agents for them to conduct the daily business operations and delegate the authority to them.

Training as being one of the variables applied in this study helps the agents who tend to be employed by the principal to be able to differentiate their interest and that of their principals. Through better training, the agent will be able to know the difference between their extent and the line between their various conflicting interests, which will make him to perform better within the interest of their principal thereby resulting to development of a better agent-principal relationship.

2.1.2 Theory of Constraints

The Theory of constraints was first developed by Dr. Eliyahu Goldratt in (1984). This theory outlines that, every system like a profit making firm have a certain constraint that may be affecting that firm in achieving its desired goals and objectives. According to Steyn (2019), lack of proper management of various constraints affecting logistics companies' business operations may result to low productivity of that particular firm. This theory is relevant to this study in that, logistic companies and their operations have various links that support and enhances the success of these firms operations (Gupta, Bhardwaj and Kanda, 2018). The weak link within these logistics companies may at times results in the limiting of these firms in their efficiency and effectiveness of their daily operations. To enhance the firm profits, there is a need for these logistics companies to uncover various weak links that hinder its success like the distribution capacity and its financial stability (Kim, Mabin and Davies, 2018).

The application of working capital as one of the independent variable in this research study may be one of the constraints that this theory outlines to be affecting various logistics companies. Logistics companies that may lack enough working capital will find it hard to effectively conduct their operations as they will not be able to acquire various essential resources required to effectively conduct their operations. Logistics firms that will lack enough working capital for conducting their daily operations may find it hard to timely respond to their customers' demands thus reducing their customer loyalty.

2.2 Empirical Literature Review

2.2.1 Staff Training and Management of Logistic Companies

Al-Doori (2019) conducted a study to investigate the impact of supply chain collaboration on performance in automotive industry. The use of simple random sampling method as a sampling method was applied. The use of questionnaires as the study data collection instrument was applied. The analysis of data was through the use of both qualitative and quantitative methods. The collected data was presented by the use of bar graphs and pie-charts. The study established that, employee training program is one of the pillars towards the success of any organization globally. Training program not only aim at offering employees with opportunities for improving their skills, knowledge and capability, but it also aim at helping the employers to enhance employee productivity which at the end results to the improved company culture. This study was conducted in general from a global perspective; therefore, there was need for this study to be conducted to narrow down this research study to a Kenyan case.

Kanda and Iravo (2018) examined various factors affecting supply chain efficiency of Medical Supplies in Public Health Centers in Elgeyo Marakwet County. The study adopted the use of descriptive research design. The sampling method applied was stratified random sampling. Both questionnaires and the interview schedules were used as data collection tools. The use of qualitative and quantitative methods was used in data analysis. The use of tables and bar graphs were used to present data. This study finding established that, employee training is essential in enhancing in enhancing employee performance. Through training programs, employees normally gain the ability to build on strengths and address various deficiencies that are identified in their performance reviews. Furthermore, adoption of training programs helps employees to discover different areas in which they could use additional educational opportunities and support. The study have not addressed the time factor associated with employee training program and how best it can be minimized and therefore this study was conducted to address it.

Francis and Waiganjo (2019) through their research study assessed the role of supply chain practices on customer satisfaction in the printing industry in Kenya. The use of simple random sampling method was applied to determine the study sample size. The tool for the research

study data collection was questionnaires. The use of Statistical Package for Social Science was adopted in the study to analyze the collected data. The determination of the study relationship between the variables adopted was through the use of regression analysis. The findings from this study indicated that, effective training also helps employees within the organization to be able to manage various tasks individually or in teams since they will be able to rely on the greater understanding of various processes and well defined goals and objectives, since these employees are well-versed in the skills required for their various jobs, they require less time to find various means on how to perform their various roles and responsibilities. Effective employee training is associated with a higher cost of recruiting an expert trainer. The researchers have not addressed on how we can ensure the company spends less cost to adopt quality training and therefore, this study managed to address.

2.2.2 Information Technology and Management of Logistic Companies

Karimi and Rafiee, (2019) through their research study assessed the Impact of supply chain management practices on organizational performance through competitive priorities at Iran Pumps Company. Census was adopted as a study sampling method. Questionnaires were applied as the study data collection instrument. The use of descriptive statistics was applied in determining of the study central tendency through the use of frequency and percentage. The use of pie-charts and graphs were considered effective in the presentation of the analyzed research data. The study finding established that, information technology is an essential and integral part for every organization operation. The use of information technology systems has enhanced various companies within their business operations to be able to store and maintain high amount of information. Through the use of servers and storage devices, modern information technology systems have enhanced high transparency and accountability. The use of modern information technology systems in logistic companies has at times resulted in cases of some employees providing private organization information to unauthorized people. The study has not addressed on any effective measure that can be adopted to minimize chances of these cases and therefore this study was conducted to address.

Kilasi, Juma and Mathooko (2018) through their study journal assessed the impact of outsourcing of logistics on the competitive advantage strategy of East African Breweries Ltd. This study applied the use of descriptive research design. The sampling method adopted was

simple random sampling. The data collection instrument was questionnaires. Both qualitative and quantitative methods were applied in data analysis. The use of bar graphs and study tables were used to present data. This study established that, information technology system has helped various organizations to be able to effectively make, coordinate and analyze different information. Through the use of information technology system, various organizations can easily track their sales data, track their various expenses, also track their productivity levels, track profitability over time, identify areas of improvement and maximize return on investment. Modern information technology system has a lot of complexity that not all organization employees can be able to adapt to it. There was a need for this research study to be conducted to address what measures can be undertaken in the case of this scenario which the previous authors had omitted.

Mae and Ohno (2019) study examined the impact of changing lead-time on inbound logistics performance in a global supply chain at Volvo Powertrain Corporation. The use of descriptive research design was adopted in this study. The use of census as the study sampling design was applied. The primary data was through the use of questionnaires. The use of quantitative method was applied in data analysis. The use of pie-charts and tables were used in data presentation. This study established that, majority of business tractions take place online to enhance efficiency and productivity. Modern information technology system can easily store organization sensitive information in a form that makes the information to be less vulnerable to a data breach. Automation of various organization operations through the use of modern information technology system in today business operations has resulted to unimagined capabilities and efficiencies. This research study was conducted on a global perspective and not on a Kenyan case. There was a need to narrow it down through this research study to a Kenyan case which was undertaken through this research study.

2.2.3 Organization Policy and Management of Logistic Companies

Vlachos (2018) study journal examined the impact of reverse logistics capabilities and the organization performance. The use of simple random sampling method was deployed. Questionnaires were used to collect data. The use of qualitative and quantitative methods was applied to data analysis. The use of regression analysis was adopted in the determination of the relationship between the dependent and independent variables. Data presentation was

through graphs and tables. The findings from this study established that, organization policies are essential within the organization as they help in the provision of guidance, accountability, consistency, efficiency and clarity within how various organizations operates. Through effective organization policies, organization employees tend to be offered effective guidelines and principles to follow. Having policies and procedures in place restricts an organization's ability to make any rapid decisions, shift strategies, make promotions or fire ineffective workers since these processes are formalized. The researcher has not addressed this concern and therefore this study was conducted to address.

Springinklee and Wallenburg (2019) study journal assessed the improving distribution service performance through effective production and logistics integration. This study adopted descriptive research design. The sampling method adopted in this was stratified random sampling method. Both interview schedules and questionnaires were applied as data collection instruments. Data analysis was through descriptive statistics of percentage and frequency. The use of figures and bar graphs were applied in data presentation. This study established that, formal policies and procedures help employers to effectively manage their staff through defining what may be acceptable and what is not allowed within the work place. This help in clarification and reinforcing the standards that are expected for organization employees in more professional dealings. This study was conducted on a global perspective and not on a Kenyan nature. So, the researcher managed to narrow down this study to reflect the Kenyan case.

Francis and Waiganjo (2019) through their research study assessed the role of supply chain practices on customer satisfaction in the printing industry in Kenya. Simple random sampling method was applied to determine the study sample size. The tool for the research study data collection was questionnaires. The use of Statistical Package for Social Science (SPSS) was adopted in the study to analyze the collected data. The determination of the study relationship between the variables adopted was through the use of regression analysis. The findings from this research study indicated that, organization policy enhances organization in maintaining a degree of accountability within the eyes of external and internal stakeholders. This is through the ability of the organization policy to work as a form of simple internal control like through auditing mechanism. Since policies are made by the management under certain circumstances,

these policies are only suitable only if they are applied under those particular circumstances. The researchers have not addressed on how best this case can be improved and therefore, this study was conducted to address.

2.2.4 Working Capital and Management of Logistic Companies

Karimi and Rafiee, (2019) through their research study assessed the Impact of supply chain management practices on organizational performance through competitive priorities at Iran Pumps Company. Census was used as the study sampling method. Questionnaires were applied as the study data collection instrument. The use of descriptive statistics was applied in determining of the study central tendency through the use of frequency and percentage. The use of pie-charts and graphs were used to present data. The study finding indicated that, working capital tend to serve as metric for how an organization is efficiently operating and how financial stability the organization is within a short-term. Availability of enough working capital promotes the organization ability of timely payment of suppliers and employees and has the ability of meeting other obligations like tax payment. This case has not been applicable in all firms; there are various firms despite having adequate working capital have encountered challenges of timely payment of its employees and suppliers. The researchers have did address what may be leading to this case and therefore this study was conducted to address.

Makhdoom, Anjum and Riaz (2018) through their study journal examined supply chain integration and operational performance. The sampling method was stratified random sampling. The use of interview schedules and questionnaires as the instruments for the study primary data collection were applied. Data analysis was through the use of Microsoft Excel Sheets. The use of figures and bar graphs were used to present data. This study established that, as a short term indicator of financial position of an organization, working capital help in measuring the organization overall efficiency. Working capital decisions tend to provide the example of an organization risk-return nature of financial decision making through minimizing risks associated with an organization being unable to timely pay its bills. The aspect of measuring the organization efficiency in short term through working capital may not necessarily be applicable in all cases and scenario, the researchers has not addressed what will

happen with firms with inadequate working capital and therefore this study was conducted to address this concern.

Ralston (2018) conducted an online survey on the structure-conduct-performance perspective of how strategic supply chain integration affects firm performance in Florida. This study adopted descriptive research design. The sampling method used was census. The use of questionnaires as the instrument for the study primary data collection was applied. The analysis of the collected data was through the use of descriptive statistics of percentage and frequency. The use of figures and bar graphs were used in data presentation. This study established that, working capital helps an organization to strengthen its work culture. Through timely payment of the organization daily expenses like the employees' salaries, it creates a good environment and act as a source of motivation amongst employees to work harder and strengthen the good working environment. Ralston study has been conducted in a general perspective globally in Florida United State of America. The researcher therefore conducted this study by narrowing down to the Kenyan scenario.

2.3 Summary of Knowledge Gaps

Table 1: Summary of Knowledge Gaps

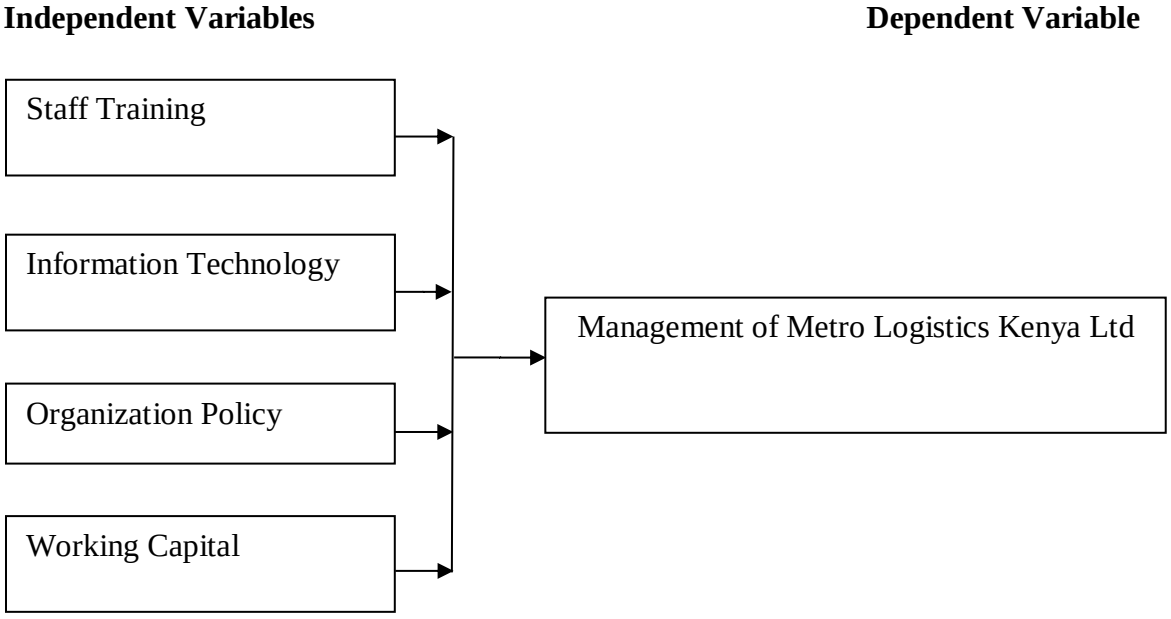
Author	Year	Title	Findings	Research Gaps	Focus on the Current Study
Lysons and Farrington	(2019)	Purchasing and supply chain management	Training help to minimize supervisory cost on employees in logistics company	The researcher has only stated that training minimize supervisory cost without stating how it minimizes	The researcher through this study addressed how supervisory cost is normally minimized through employee training which the previous researchers had omitted.
Carter and Jennings	(2020)	The role of purchasing in corporate social responsibility	Information technology reduces logistics companies expenditures due to less manpower and reduced paper work	The researcher has conducted his research study in on a firm in the banking industry and not security sector. This finding cannot be assumed to represent security companies.	The researcher through this study was specific and narrowed this study to logistics companies in Kenya with relation to Metro Logistics Kenya Limited.

Mubarik, Warsi, Nayaz and Malik	(2020)	Transportation outsourcing and supply chain performance of Pakistan's Pharmaceutical Industry	Organization policy help in providing guidelines and instructions on how best logistics operations should be conducted thus reducing confusion	This researcher findings were based on pharmaceutical industry and cannot be assumed to represent the logistics companies	The researcher narrowed down this research study specifically to address factors affecting the management of logistics companies in Kenya
Goldsby	(2019)	The critical role of transportation in business and the Economy	Adequate working capital help in maintaining logistics companies solvency by providing uninterrupted business operations	The researcher argument of adequate working capital is general and the researcher has not provided means for firms to ensure they have adequate working capital.	This research study explained on how logistics companies in Kenya will ensure they have enough working capital and measures they could adopt to ensure effective management of these funds.

2.4 Conceptual Framework

Conceptual framework is a representation of a research study relationship expected to be seen between the cause and the effect of the study variables (Dolnad, Kombo and Delno, 2015). This research study independent variables were staff training, information, organization policy and working capital while the management of logistics companies in Kenya was the dependent variable.

Figure 2.1 Conceptual Framework



2.5 Operationalization of Variables

Table 2 Operationalization of Variables

Variable	Indicators	Measurement Scale	Tools of Analysis
Staff Training	• Capability • Skills • Knowledge • Competence	Questionnaire (Likert Scale)	Frequencies Percentages
Information Technology	• Information Integration • Information Sharing	Questionnaire (Likert Scale)	Frequencies Percentages
Organization Policy	• Accountability • Communication effectiveness • Organization consistency	Questionnaire (Likert Scale)	Frequencies Percentages
Working Capital	• Inventory • Cash • Accounts payable • Accounts receivables	Questionnaire (Likert Scale)	Frequencies Percentages

2.6 Chapter Summary

The study literature review has been discussed in this chapter. This chapter addresses various theories that help in the explaining of the main subject of the topic. The empirical literature review outline what various past researcher have addressed on the relationship between the study variables. This chapter also provides the study summary and gaps to be filled. The use of conceptual framework which helps in outlining the relationship between the study variables has been discussed. The chapter also contains the operationalization of the study variables.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.0 Introduction

This is the study third chapter that presents the study methodology. It consists of the study research design, target population, sampling method, instrument for data collection procedure, data analysis and presentation method, ethical issues and chapter summary.

3.1 Research Design

Research design is a framework which comprises of research techniques and the research methods that are applied by a researcher to conduct a certain study (Kathleen and Weyers, 2017). This study adopted the use of descriptive research design. Orodho and Kombo (2012) describes a descriptive research design as a type of research design which involves the observing and describing a given subject behavior without influencing its final outcome. The use of descriptive research design was considered for this study since it helped the researcher to be able to conduct the analysis of the facts and form an better understanding of the problem being investigated.

3.2 Target Population

According to Deming (2015), target population is a set of various individuals that tend to share similar characteristics that the researcher aims at obtaining specific information from. The target population of this study was 112 respondents from Metro Logistics Kenya Ltd as presented in the table below.

Table 3 Target Population

Description	Frequency	Percentage
Top Level Management	4	4
Middle Level Management	10	9
Operational Staff	98	87
Total	**112**	**100**

3.3 Sample and Sampling Technique

Lewis, Sauders and Thornhill (2013) indicate that, a sample is a smaller selected portion of a given population that is applied to represent a larger population. Stratified random sampling method was applied in this study since it helped in the sub-grouping of respondents into stratus to enhance their equal representation in this study (Sevilla and Consuelo, 2018). Nassiuma's (2000) sample size determination formula was applied.

$$n = \frac{NC^2}{C^2 (N\text{-}1)\, e^2}$$

Where;

n = sample size

N= size of target population

C= coefficient of variation (50%),

e = error margin (5%)

Hence,

$$n = \frac{112\ (0.5^2)}{0.5^2 + (112\text{-}1)0.05^2}$$

$$n = 53$$

3.4 Data Collection Instrument

According to Sekaran and Bougie (2015), data collection is a research process that involves the gathering and measuring information from different sources with an aim of establishing answers to a research problem. Questionnaires were applied as the instrument for data collection. Questionnaire is a printed form consisting of a series of various questions aiming at collecting certain information from a specific individuals or target population (Welman and Kruger, 2019). The benefit associated with the use of this research data collection instrument is that it is of a high confidentiality and it is easy to administer (Orodho and Kombo, 2012).

3.5 Pilot Study

Douglas, Samuel and William (2016) defines a pilot study as a small scale preliminary research study that is normally conducted before the final research study is undertaken to determine if the main research study could be successful. A total number of 10 respondents representing 10% of the target population were randomly selected and used in conducting pilot study. These employees were included in the final main research study that was conducted.

3.5.1 Validity Test

Validity is when the data collection tool is able to measure what it has specifically designed to measures (Welman and Kruger, 2019). This researcher enhanced the validity through including various opinions and suggestions from the supervisor in development of the data collection instrument. The aim of conducting the validity test was to bring out any form of deficiencies in this study instrument and correct them before the data collection instrument is administered to the research study sample size. Through the help of the researcher, the use content analysis was also adopted.

3.5.2 Reliability Test

Reliability test is the ability of the data collection instrument to provide same results through various conducted trials (Kathleen and Weyers, 2017). Sekaran and Bougie (2015) revealed that, a research instrument to be applied in a research study is expected to provide similar results in relation to the other one for pilot study through its administration to a given actual sample size. The researcher promoted this by pre-testing the data collection instrument and conducted amendments where the need was.

3.6 Data Collection Procedure

After obtaining the introduction letter from the Management University of Africa, the researcher will visited Metro Logistics Kenya to seek the permission to be allowed to undertake the research study. The researcher then met the respondents and informed them of the need for conducting the research study. The researcher then provided instructions to the respondents on how to undertake the whole exercise before administering the questionnaires.

The researcher then administered the questionnaires to the respondents and collected them after all respondents have managed to fill them.

3.7 Data Analysis Method and Presentation

According to Deming (2015), data analysis is a research study process which tends to comprise of the sorting and organizing the raw data collected from the field to enhance effective interpretation. This research study generated quantitative data. Completely filled questionnaires were edited to enhance their uniformity, consistency and completeness. The qualitative data was analysed through the use of simple statistics and the adoption of Microsoft Excel. The collected data was presented through the use of tables. The raw data collected from the field was coded before the research finding is generalized. The descriptive statistics comprising of frequency and percentage were also adopted in this study. The use of tables was applied in the presentation of the final analysed research data.

3.8 Ethical Considerations

3.8.1 Informed Consent

The researcher first sought permission from the management Metro Logistics Kenya Ltd before embarking on the data collection process.

3.8.2 Voluntary Participation

There was no any respondent that the researcher forced to participate in this study without his or her consent.

3.8.3 Confidentiality

All the information that was provided by various respondents was kept secret by the researcher and was not disclosed to any person.

3.8.4 Privacy

The researcher kept secret all information that was provided by various respondents and did not provide it to any other person.

3.8.5 Anonymity

The researcher omitted developing the questionnaires with spaces for the respondents to write their names or contacts.

3.9 Chapter Summary

This chapter contains the study design and methodology. It outlines the target population of 112 that was applied in this study, the use of stratified random sampling method that enhanced equal representation of all respondents, the use of questionnaires as a form or instrument of data collection, the use of Microsoft excel sheet in data analysis, the presentation of the final collected data through the use of tables and various ethical practices that the researcher considered to enhance the success of this study.

CHAPTER FOUR

RESEARCH FINDINGS AND DISCUSSION

4.0 Introduction

This chapter provides the discussion of the research study findings. This chapter contains the presentation of research findings, limitations of the study and chapter summary

4.1 Presentation of Research Findings

4.1.1 Response Rate

The researcher first established the study sample size. The study finding established that, this study was successful since 85% which was the majority of the target sample size participated while a minority of 15% did not participate. The finding of this study through the majority of the respondents indicated that, this study was successful as the majority of the respondents managed to fill the distributed questionnaires.

Table 4 Response Rate

Category	Frequency	Percentage
Response	46	87
Non-Response	7	13
Total	**53**	**100**

4.1.2 Gender Analysis

The study sought to establish gender analysis of the study respondents. The study finding established that, the majority of respondents of 74% were male while the minority of 26% was female. This finding clearly indicates that, this organization has a gender imbalance since there are more male employees than women employees.

Table 5 Gender Analysis

Category	Frequency	Percentage
Male	34	74
Female	12	26
Total	**46**	**100**

4.1.3 Age Brackets

The various age brackets of respondents that participated in this study were determined. The finding revealed that, 9% of the respondents had ages of between 18-23 years, 33% of ages between 24-29 years, 41% of ages of between 30-35 years while 17% of age of 36 years and above. This established that, a large number of respondents who were part of this study were youth of between 30-35years

Table 6 Age Brackets

Category	Frequency	Percentage
18-23 years	4	9
24-29 years	15	33
30-35years	19	41
36 years and above	8	17
Total	**46**	**100**

4.1.4 Highest Education Levels

The various highest level of education attained by the respondents was determined through this study. The finding revealed that, 4% of the respondents had attained primary certificate level, 59% had attained secondary certificate level, 28% had attained college level, 7% had attained university level while 2% of the respondents had attained postgraduate as their highest level of education. Since a large number of respondents were well learned, their response to the research questions was effective.

Table 7 Highest Education Level

Category	Frequency	Percentage
Primary Certificate	2	4
Secondary Certificate	27	59
College Diploma	13	28
University Degree	3	7
Postgraduate Level	1	2
Total	**46**	**100**

4.1.5 Length of Service

The different length of service of respondents within the organization was determined through this study. The finding revealed that, 7% of the respondents had worked for 1 year and below, 22% for a period of 2-5 years while 71% which was the majority had worked for a period of above 5 years. This finding revealed that, a large number of the respondents was well conversant with their organization because they were well experienced.

Table 8 Length of Service

Category	Frequency	Percentage
1 year and below	3	7
2-5 years	10	22
Above 5 years	33	71
Total	**46**	**100**

4.1.6 Employee Training

The study established the extent of the respondents rating in relation to the effect of employee training on the management of Metro Logistics Kenya Ltd. The first statement in relation to whether training prepares logistics company employees on how to effectively multitask various organization operations and thus increasing the employee productivity established that, 54% of the respondents strongly agreed while 46% agreed. The statement on training helps in boosting morale of logistics company employees which at the end increases their performance established that, 59% of the respondents strongly agreed while 41% agreed. In relation to whether training equips employees with knowledge on how best to manage logistics company resource hence resulting to reduction of company loses, 65% of the total respondents strongly agreed while 35% of the respondents agreed. The statement on whether staff training helps an organization to minimize employee supervisory cost in logistics companies established that, 52% of the respondents strongly agreed, 46% agreed while 2% of the respondents were undecided. The finding on whether staff training increase employees' competency in logistics companies which enhances their performance revealed that, 57% of the total respondents strongly agreed while 43% of the respondents agreed. In general,

according to this study finding, the majority of the respondents through their response were in agreement that there was a direct effect of employee training on the management of Metro Logistics Kenya Limited. This finding from the respondents is supported by Al-Doori (2019) through his research study which established that, the adoption of various training programs in logistics companies help these logistics firms in increasing the skills, knowledge and the competency level of its employees which enables them to be effectively managed and be able to undertake their duties and responsibilities effectively.

Table 9 Statements of respondents' rating the effect of employee training on the management of Metro Logistics Kenya Ltd

	Strongly Agreed	Agreed	Undecided	Disagreed	Strongly Disagreed
Training prepares logistics company employees how to multitask various operations and thus increasing their productivity	54%	46%	0%	0%	0%
Training helps in boosting morale of logistics company employees which at the end increases their performance	59%	41%	0%	0%	0%
Training equips employees with knowledge on how best to manage logistics company resource hence resulting to reduction of firm loses	65%	35%	0%	0%	0%

Staff training helps an organization to minimize employee supervisory cost in logistics company	52%	46%	2%	0%	0%
Staff training increase employees competency in logistics companies which enhances their performance	57%	43%	0%	0%	0%

4.1.7 Information Technology

This study established respondents rating in relation to the effect of information technology on management of Metro Logistic Company Limited. The first statement in relation to whether information technology enhances better flow of information in logistics companies that reduces chances of poor decision making revealed that, 48% of the total respondents strongly agreed, 48% of the respondents agreed, 2% of the respondents were undecided while 2% disagreed. The finding study on whether information technology reduces logistics companies' expenditures due to less manpower and reduced paper work established that, 50% of the total respondents strongly agreed while 50% of the respondents agreed. The study finding on whether modern technology integrates various logistics companies operations that results to timely delivery of various goods and service revealed that, a total number of 59% of the respondents strongly agreed, 39% of the respondents agreed while 2% of the respondents were undecided. The finding on whether information technology helps logistics companies in promoting efficiency and reduced workload established that, 50% of the total respondents strongly agreed, 48% of the respondents agreed while 2% of the respondents were undecided. The statement in relation to whether information technology help logistics companies in proper record keeping for better accountability revealed that, 61% of the total respondents strongly agreed while 39% of the respondents agreed. In general, this study finding through the majority of the respondents were in support that information technology affects the management of Metro Logistic Company Ltd. This study finding is supported by Mae and Ohno (2012) through their research study finding which established that, the use of modern information technology systems in logistics companies promotes to better coordination and

integration of various departments and operations thus enhancing timely provision of goods and services to target customers.

Table 10 Statements of respondents' rating the effect of information technology on the management of Metro Logistics Kenya Ltd

	Strongly Agreed	Agreed	Undecided	Disagreed	Strongly Disagreed
Information technology enhances better flow of information in logistics companies that reduces chances of poor decision making	48%	48%	2%	2%	0%
Modern technology reduces logistics companies expenditures due to less manpower and reduced paper work	50%	50%	0%	0%	0%
Modern technology integrates various logistics companies operations that results to timely delivery of various goods and service	59%	39%	2%	0%	0%
Technology helps logistics companies in promoting efficiency and reduced workload	50%	48%	2%	0%	0%
Information technology help logistics companies in proper record keeping for better accountability	61%	39%	0%	0%	0%

4.1.8 Organization Policy

The study determined the respondents rating on whether there is an effect of organization policy on the management of Metro Logistics Company Ltd. The respondents first rating on whether organization policy help in providing guidelines and instructions on how best logistics operations should be conducted thus reducing confusion. According to the findings, 50% of the respondents strongly agreed, 48% of the total respondents agreed while 2% of the respondents were undecided. The finding on whether organization policy coordinates logistics companies operation thus enhancing effective organization operations established that, 48% of the respondents strongly agreed, 48% agreed, 2% were undecided while 2% disagreed. The finding in relation to whether organization policy help in the organization to protect accountability of employees in logistics companies revealed that, 50% of the respondents strongly agreed, 48% agreed while 2% of the respondents were undecided. The finding on whether organization policy serve as guides to thinking and action that facilitate accurate decisions making established that, 52% of the respondents strongly agreed, 46% agreed while 2% of the respondents were undecided. The study finding in relation to whether organization policy help in provision of effective communication channel within logistic companies revealed that, 43% of the total respondents strongly agreed while 57% of the respondents agreed. According to the study finding, the majority of the respondents who participated in this research study agreed that organization policy affects the management of Metro Logistics Company Ltd. This finding from the majority of the respondents is supported by Vlachos (2016) study which established that, organization policy help to serve as guides to thinking and action and thereby facilitating quick and accurate decisions regarding logistics operations in logistics companies.

Table 11 Statements of respondents' rating the effect of organization culture on management of Metro Logistics Kenya Ltd

	Strongly Agreed	Agreed	Undecided	Disagreed	Strongly Disagreed
Organization policy help in providing guidelines and instructions on how best logistics operations should be conducted thus reducing confusion	50%	48%	2%	0%	0%
Organization policy coordinates logistics companies operation thus enhancing effective organization operations	48%	48%	2%	2%	0%
Organization policy help in the organization to protect accountability of employees in logistics companies	50%	48%	2%	0%	0%
Organization policy serve as guides to thinking and action that facilitate accurate decisions making	52%	46%	2%	0%	0%
Organization policy help in provision of effective communication channel within logistic companies	43%	57%	0%	0%	0%

4.1.9 Working Capital

The study determined the respondents' rating the effect of working capital on the management of Metro Logistics Kenya Ltd. The finding in relation to whether enough working capital enhances continuous supply of goods and services in logistics companies indicated that, 59% of the total respondents strongly agreed while 31% of the respondents agreed. The finding on whether enough working capital enables logistics companies to enhance regular payment of salaries and wages for employees which increases their morale revealed that, 50% of the respondents strongly agreed while 50% of the respondents agreed. The finding in relation to whether adequate working capital within logistic companies enables them to exploit favorable market conditions established that, 48% of the total respondents strongly agreed, 48% of the respondents agreed, 2% of the respondents were undecided while 2% of the respondents disagreed. The finding on whether adequate working capital enables logistic companies to face various financial crisis and emergencies established that, 56% of the total respondents strongly agreed, 42% of the respondents agreed while 2% of the respondents were undecided. The finding on whether adequate working capital help in maintaining logistics companies' solvency by providing uninterrupted business operations revealed that, 50% of the respondents strongly agreed, 48% agreed while 2% of the total respondents were undecided. This research study established that, the majority of the respondents were in agreement that working capital on the management of Metro Logistics Kenya Ltd, according to this research study finding. This finding concurs with Ralston (2018) study which established that, working capital helps an organization to strengthen its work culture. Through timely payment of the organization daily expenses like the employees' salaries, it creates a good environment and act as a source of motivation amongst employees to work harder and strengthen the good working environment.

Table 12 Statements of respondents' rating the effect of working capital on management of Metro Logistics Kenya Ltd

	Strongly Agreed	Agreed	Undecided	Disagreed	Strongly Disagreed
Enough working capital enhances continuous supply of goods and services in logistics companies	59%	31%	0%	0%	0%
Enough working capital enables logistics companies to enhance regular payment of salaries and wages for employees which increases their morale	50%	50%	0%	0%	0%
Adequate working capital within logistic companies enables them to exploit favorable market conditions	48%	48%	2%	2%	0%
Adequate working capital enables logistic companies to face various financial crisis and emergencies	56%	42%	2%	0%	0%
Adequate working capital help in maintaining logistics companies solvency by providing uninterrupted business operations	50%	48%	2%	0%	0%

4.2 Limitations of the Study

Confidentiality is a main and common challenge for someone conducting a research study. For this research study, this challenge was not an exemption. The researcher encountered this challenge in that, there were various respondents who had fear of disclosing some information with a fear of being victimized by their senior. To overcome this challenge, the researcher proved to the respondents that this study was official and only aimed at collecting information relating to academic purpose through the provision of a letter of introduction from the Management University of Africa.

Lack of cooperation among some respondents was a challenge that the researcher encountered when conducting this research study. This study was conducted during week day when the respondents were busy with their various daily duties and responsibilities. This challenge made the researcher to administer the questionnaires through the use of drop and pick mode of questionnaire administration. The researcher collected the questionnaires later from the respondents when all have managed filling them at their own free time.

4.3 Chapter Summary

This chapter is a summary of the collected data from the field through the use of questionnaire. The chapter contains two sections, the first one addressing the general information of the respondents who took part in this study in relation to the gender, age analysis, length of service and various highest level of education they attained. The second section of this chapter addresses the various relationships between the study dependent variable and the independent variables. The chapter also outlines various challenges the researcher encountered during the time of conducting this research study.

CHAPTER FIVE
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This is the final research study chapter. It provides the research study summary, conclusions and finally, the recommendations the researcher made.

5.1 Summary of Findings

5.1.1 Effect of staff training on the management of Metro Logistics Kenya Limited

This study determined on whether staff training affects the management of Metro Logistics Kenya Ltd. According to the finding, the majority of the respondents agreed that staff training affects the management of Metro Logistics Kenya Ltd. The study also determined that, effective staff training programs adopted on employees in logistics companies enhances better management of these firms in that, it enables these employees to be able to acquire essential and basic skills, knowledge and performance competency that enhances their effective and better organizational performance. This finding closely links with Francis and Waiganjo (2019) research study which established that, effective employee training programs helps these employees to be able to manage various tasks individually or in teams since they will be able to rely on the greater understanding of various processes and well defined goals and objectives, since these employees are well-versed in the skills required for their various jobs, they require less time to find various means on how to perform their various roles and responsibilities.

5.1.2 Effect of information technology on the management of Metro Logistics Kenya Ltd

The study aimed at determining on whether information technology affects the management of Metro Logistics Kenya Ltd. The findings from this study established that, a large number of the respondents agreed that information technology affects the management of Metro Logistics Kenya Ltd. This finding also revealed that, the implementation of modern information technology systems in logistics companies enhances their better management since it enhances effective data management, accuracy, time management, effective flow of information and the general simplification of various organization operations. This finding has a relationship to Kilasi, Juma and Mathooko (2018) study which established that,

information technology system has helped various organizations to be able to effectively make, coordinate and analyze different information. Through the use of information technology system, various organizations can easily track their sales data, track their various expenses, also track their productivity levels, track profitability over time, identify areas of improvement and maximize return on investment.

5.1.3 Effect of organization policy on the management of Metro Logistics Kenya Ltd

This study determined on whether organization policy has an effect on the management of Metro Logistics Kenya Ltd. According to the finding, a large number of the respondents agreed that organization policy affects the management of Metro Logistics Kenya Ltd. The finding from this study also revealed that, organization policy enhances effective management of logistics companies in that, effective organization policy helps in ensuring provision of effective rules and regulations regarding on how various organizational operations can be conducted thus enhances various effective organizational decision making. This finding concurs with Francis and Waiganjo (2019) study which revealed that, organization policy enhances organization in maintaining a degree of accountability within the eyes of external and internal stakeholders. This is through the ability of the organization policy to work as a form of simple internal control like through auditing mechanism.

5.1.4 Effect of working capital on the management of Metro Logistics Kenya Ltd

This study aimed at determining on whether working capital affects the management of Metro Logistics Kenya Ltd. According to the finding, a large number of the respondents agreed that working capital affects the management of Metro Logistics Kenya Ltd. Furthermore, the findings from this research study further established that, working capital is essential towards effective management of logistics companies in that, it enables the organization to acquire essential and basic resources, and being able to carter for its daily operations. This finding is supported by Makhdoom, Anjum and Riaz (2018) study finding that indicated that, working capital decisions tend to provide the example of an organization risk-return nature of financial decision making through minimizing risks associated with an organization being unable to timely pay its bills.

5.2 Conclusion

In conclusion, staff training program is one of the key factors that affect the management of logistics companies. Training helps logistic company employees to be able to acquire essential skills, knowledge and competency regarding how best to conduct the organization operations thus enhancing the organization success. Modern information technology system is an essential element towards effective management of logistics companies in that it enhances better recording keeping, efficiency and better communication. Organization policy adopted within logistics companies affects their management. Better organization policy adopted results to effective provision of various rules and regulations regarding how various organizational operations should be conducted and chain of command thereby leading to minimal confusion within the organization. Working capital is one of the key essential factors towards effective management of logistic companies. Availability of enough working capital will enhance logistic companies to be able to effectively conduct their organizational operations due their ability of acquiring and basic resources required in conducting the organization operations.

5.3 Recommendations

This study recommends that, the management of Metro Logistics Kenya Ltd should offer various training programs to its employees. The organization should consider the adoption of on and off training programs to its employees. These training programs will enable employees to be equipped with various competency, skills and knowledge on how best to undertake their various organizational roles and responsibilities thereby resulting to the organization success.

The study recommends that, the organization should consider adopting the use of modern information technology systems in their logistics operations. The use of modern information technology systems within logistic operations will enable the organization to enhance its record keeping system, efficiency, better communication channels, security and the simplification of various operations.

Organization policy is one of the factors that affect the management of logistic companies. The study therefore recommends that, the organization should involve experts in the formation of its various organization policies. The expert opinion will help in ensuring that

policies formed does not violets anyone's right within the organization thus enhancing better employee and management relationship.

Working capital is an essential pillar towards effective management of logistics companies. The study recommends that, the organization should ensure better planning and management of funds allocated as the organization working capital. This will minimize chances of cases of financial misuse and misappropriation, which at the end will result to better management of the organization.

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APPENDIX I: INTRODUCTION LETTER

To The Management,

Metro Logistics Kenya Limited,

P.O. Box 40125-00100,

Nairobi, Kenya
Tel: + 254 710977873

Dear Sir/Madam,

RE: Research Data Collection

I hereby write this letter to the management of Metro Logistics Kenya Limited to allow me through their employees to undertake my academic research title of the title (FACTORS AFFECTING THE MANAGEMENT OF LOGISTICS COMPANIES IN KENYA: A CASE STUDY OF METRO LOGISTICS KENYA LIMITED. I am a student studying the degree of management and leadership from the Management University of Africa.

I will appreciate your support through your contribution in this research work.

Kind Regards

…….

Njue Beth Kendi
BML/28/01119/1/21
The Management University of Africa

APPENDIX II: QUESTIONNAIRE

The aim of this questionnaire is to determine Factors affecting the management of logistic companies in Kenya with reference to Metro Logistics Kenya Limited. Kindly fill it correctly by a TICK in the spaces provided. This information will be used strictly for academic purpose.

PART A: RESPONDENTS INFORMATION

1. What is your gender?

   Male ( )

   Female ( )

2. What is your age bracket?

   18-23 Years ( )

   24-29 Years ( )

   30-35 Years ( )

   36 years and above ( )

3. What is your highest level of educa1tion attained?

   Primary Certificate ( )

   Secondary Certificate ( )

   College Diploma ( )

   Undergraduate Degree ( )

   Post Graduate Level ( )

4. What is your Length of Service in this organization?

   1 year and below ( )

   2-5 years ( )

   Above 5 years ( )

SECTION B: STAFF TRAINING

5. The rate of respondents agrees on disagree on the effect of staff training on the management of Metro Logistics Kenya Limited

Scale 1=strongly disagree 2= disagree 3= undecided 4= agree 5=strongly agree.

Statement	1	2	3	4	5
Training prepares logistics company employees how to multitask various operations and thus increasing their productivity					
Training helps in boosting morale of logistics company employees which at the end increases their performance					
Training equips employees with knowledge on how best to manage logistics company resource hence resulting to reduction of company loses					
Training help to minimize supervisory cost on employees in logistics company					
Training increase employees competency in logistics companies which enhances their performance					

SECTION C: INFORMATION TECHNOLOGY

6. The rate of respondents agrees on disagree on the effect of employee training on the management of Metro Logistics Kenya Limited

Scale 1=strongly disagree 2= disagree 3= undecided 4= agree 5=strongly agree.

Statements	1	2	3	4	5
Information technology enhances better flow of information in logistics companies that reduces chances of poor decision making					
Information technology reduces logistics companies expenditures due to less manpower and reduced paper work					
Information technology integrates various logistics companies operations that results to timely delivery of various goods and service					
Information technology helps logistics companies in promoting efficiency and reduced workload					
Information technology help logistics companies in proper record keeping for better accountability					

SECTION D: ORGANIZATION POLICY

7. The rate of respondents agrees on disagree on the effect of organization policy on the management of Metro Logistics Kenya Limited

Scale 1=strongly disagree 2= disagree 3= undecided 4= agree 5=strongly agree

Statement	5	4	3	2	1
Organization policy help in providing guidelines and instructions on how best logistics operations should be conducted thus reducing confusion					
Organization policy coordinates logistics companies operation thus enhancing effective organization operations					
Organization policy help in promoting accountability of employees in logistics companies					
Organization policy serve as guides to thinking and action that facilitate accurate decisions making					
Organization policy help in provision of effective channels of communication within logistic companies					

SECTION E: WORKING CAPITAL

8. The rate of respondents agrees on disagree on the effect of working capital on the management of Metro Logistics Kenya Limited

Scale 1=strongly disagree 2= disagree 3= undecided 4= agree 5=strongly agree.

Statement	1	2	3	4	5
Sufficient working capital enhances continuous supply of goods and services in logistics companies					
Stable working capital enables logistics companies to enhance regular payment of salaries and wages for employees which increases their morale					
Adequate working capital enable logistic companies to exploit favorable market conditions					
Adequate working capital enables logistic companies to face various financial crisis and emergencies					
Adequate working capital help in maintaining logistics companies solvency by providing uninterrupted business operations					