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EFFECTS OF INVENTORY MANAGEMENT ON ORDANIZATIONAL PERFORMANC (CASE STUDY: FAST FOOD FIRMS IN BINDURA TOWN).

BY

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A DISSERTATION SUBMITTED IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR BANCHELOR OF COMMERCE (HONOURS) DEGREE IN PURCHASING AND SUPPLY.

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APPROVAL FORM

The undersigned certify that they have read and recommend to the department of Economics Bindura University of Science Education for acceptance of dissertation entitled "**EFFECECTS OF INVENTORY MANAGEMENT IN ORGANISATIONAL PERFOMANCE In Fast Food Firms in Bindura Town"**, submitted by Matare Natash. Registration Number B1850313 in partial fulfilment of the requirements for the Bachelor of Science Honours degree in Purchasing and Supply.

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DEDICATION

I dedicate this study to my lovely father and siblings. I appreciate all the encouragement and support they gave me during my studies. May dear Lord continue blessing them.

ACKNOWLEDGEMENTS

ABSTRACT

The aim of this was to analyze the effect of inventory management on organizational performance in terms of customer satisfaction, sustainability, efficiency, cost and profitability of fast food firms in Bindura Town. The researcher used research design method. The study targeted 80 participants in total drawn from 4 departments in every shop of the 4 fast food firms operating in Bindura Town. The sample size used was 80respondents. There was also use of questionnaires and interviews in the study as a primary source to obtain data. The gathered data was then presented using graphs, pie charts and tables. The researcher also established that fast food firms in Bindura Town have adoption of inventory management systems as a positive factor of organizational performance. The study was concluded by saying inventory management have a positive effect on organizational performance due to flowness of system and transparent of system which can be tracked.

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CHAPTER I

1 INTRODUCTION

Efficiency and effective management of inventory flow is considered to have an impact on the organizational performance. Inventory management is one of the important issues in the recent years in the supply chain trend. According to Deveshwar and Dhawal (2013), inventory management is a method that companies use to organize, store and replace inventory, to keep an adequate supply of goods at the same time minimizing costs. According to the audit reports Simona farm is the main supplier of potato products to all fast firms in Bindura town due to its location which is closer to the shops and Rosella chickens from Chiveso which supply the chickens to the all fast foods. This study analyzes the impact of inventory management on organizational performance were the study considered organizational performance as the dependent variable which include efficiency, cost, profitability and customer satisfaction and inventory management as independent variable. This chapter presents background, problem statement, purpose, objectives and significance of the study. Furthermore, it indentifies research questions, limitations and delimitations of the study.

1.2 Background

In the past two years it has being widely recognised that the growth of fast food firms has being increasingly rapidly. Fast food firms in Bindura town are small business entities which are private limited companies with only one depot in the town. The business is characterized by unique levels of competition, peak times around lunch, festivals, opening of schools to just mention the few. Researchers are still encountering the dated challenges of stock management in

fast food firms as they are trying different strategies in order to improve organizational performance. They use same raw materials but using different recipes.

These days' companies are giving stock much attention since it has been seen as a significant importance a way of measuring the organizational performance. Fast food firms deals with perishable foods, thereby it has become more clear that it is risk and expensive to buy too much stock since they have one objective of maximising sales leading to a greater profit margin. Procurement department has given so much attention to the purchase of stock in order to reduce unnecessary costs without compromising customer's satisfaction.

Since there was use of manual methods such as bin card to control the inventory management which have caused so many human errors which lead to most organizations to establish inventory control systems. This has helped the organisation to install stock level through stock systems like Economic order quantity so as to avoid under or over estimation of stocks in the storeroom or warehouse thus helped the organizations in managing flow of raw materials. As propounded by Lewis (2014) inventory management became a significant factor which had to be taken care of in modern organization since it leads to smooth run of production. Decisions of variables at all levels of the product of manufacturing show how significant inventory is.

Globally fast foods firms are considered to exist in high competition under perfectly competitive market. Thus necessary for the manager to have a team which is committed and energetic so that they will be able to target a large number of customers fulfilling their necessities according to their demands. Been able to show their team building skills and management skills thus helps most of the restaurants to achieve success. Most of the workers who are working in the fast food companies are passionate to work with different customers since fast food firms attract all ages and different gender. Due to dynamic changes in the world, the customers are changing as well as the demand is also changing due to the intense rivalry which have influenced the fast food firms performances

1.3 Problem statement

In considerate of geographical location, the fast food firms in Bindura town have got few suppliers of the core raw materials which are chickens and potatoes. For instances only Simona farm is the only farm which produce red soiled quality potatoes near the town and the rosella chickens. These suppliers are not able to carter the products to all the four shops throughout the operations for the whole year. Thereby leaving the procurement department with no other options but to go and buy the raw materials from a distance leading to stock outs, interruption in the customer service and customer satisfaction and also increase in business costs due to the logical costs since the local suppliers deliver the products for free without charging transport costs . The buyers will have to travel to Harare mbare musika for potatoes and also to sable for chickens in Harare too. If there is unexpected rise of demand in the season where the core suppliers are not able to provide the products to the stores department the kitchen will not be able to meet the demand thus the companies will not be able to maximize sales.

1.4 Purpose of the study

The aim of this research is to close the gap between the inventory management and organizational performance. To this end, the study is to identify inventory managements systems to improve the organizational performance.

1.4 Research Objectives

- To assess the effects of inventory management on organizational performance
- To determine the extent of application of inventory management by fast food firms
- To Identify challenges faced by fast food firms when applying inventory management system

1.6Research questions

- What are the effects of inventory management on organizational performance?
- Is there any adherence of application of inventory management in fast food firms?

- What are the challenges faced by fast firm foods in applying inventory management systems?

1.7 Significance of the study

This study is envisioned to be of benefit to the following individuals under study of the fast food firms

1.7.1 to academics

The study will act as a guide to the students and the researchers for reviewing and critiques which will help bring innovation to the management of stock since the research have reference and quantifiable information.

1.7.2 to fast food firms

By exapogoration of the relationship of organizational performance and inventory management in the study, the research results will help the fast food firms to know inventory techniques to use thereby helping companies to reduce costs on holding to much inventory leading to the improvement of organizational performance.

1.7.3 Researcher

The study`s fulfillment and success will help the researcher by giving them a source of training for academic and professional development and also improve researcher`s understanding on inventory management.

1.8 Assumptions.

- The researcher assumed that all the data collected from the respondent was reliable since the respondents were considered to have knowledge on inventory management.

- The researcher assumed that the participants will give honesty and unbiased information
- Assumption of management cooperation on sensitive data when answering questionnaires

1.9 Delimitations of the study

The researcher only focuses on the inventory management of fast food firms in the Bindura Town as it will establish the techniques of inventory management and how departments and staff are concerned with the issue of organizational performance and inventory management.

1.10 Limitations of the study

• Inaccessibility of sensitive information

Due to the policies and procedures of the fast food firm companies the respondents were reluctant to disclose the company`s information for the researcher due to trust issues since some assumed that the researcher might have teamed up with the competitors therefore holding up to confidentiality as a principle of the company.

• Inadequate resources

The researcher lacks various things which include competence, skills, time and money. The research project was done during the sysmster where she has to balance the pressure of both the modules and the project.

1.11 Definition of terms

Supply Chain.

By reducing the whole process of supply chain firms often reduce stock, free up cash flow and increase their profits. The reduction of the supply process results in clear customer service performance.

Value for money:

It is believed that effective inventory management improves cash flow through money savings and also by being to predict the demand since it allows to establish future sales thus helps in the improvement of organizational performance. Money can be saved in many ways in inventory management without compromising the performance of the firm which include purchase frequency and being considerate of the order sizes of the products bought. The department should always check the product life cycle so as to avoid deterioration or expiration of products. Thus by avoiding stock deterioration, expiration of products and obsolete of products results in the saving of money.

Effectiveness:

Efficient and effective inventory management in an organization has a greater impact in the daily running and its survival among other competitors of business firms thus lead to increase in productivity and profitability and customer satisfaction. Effectiveness of the business also lead to more customers and sales into the business resulting in growth of the business and also increase in the profit margin.

1.12 Summary

This chapter has looked at the background of the study, the statement of the problem, objectives of the study, and significance of the study, delimitations, limitations and definition of terms. The next chapter will focus on both the theoretical and empirical literature review

CHAPTER II

LITERATURE REVIEW

2.0 Introduction

The previous chapter gave the study`s introduction and background. This chapter will explore both empirical evidence and theoretical literature as propounded by other authors on the effect of inventory management in organizational performance. The evaluation of researches carried by other authors will, among other factors, expose the gap in the literature knowledge, widening the researcher's understanding of the subject thereby and provide the researcher with convincing arguments as to why the study is necessary. Literature review provides the foundation on which one's research is built (Saunders et al, 2009)

2.1 Customers Outcomes

Organizational performance of the fast food firms is also improved by responsiveness of the customers to the products. Customers are considered to be the targeted market thus the results are produced from them as the customers behaviour is usually monitored hence being able to track the results and following up the procedures regularly is a mandatory. Communication between the customers and the firm`s staff is also a way of tracking goals of the customers thereby leading to proving value and customer churn. After monitoring the behaviour and indentifying customer goals, it is the duty of the staff to achieve each result monitored henceforth work as a team to accomplish them from front line workers to back office.

2.11 Customer satisfaction

In fast food firms customer satisfaction refers to the pleasant feeling which the customer experience during the course of eating their products. The ingredients used to prepare meals should be of higher quality leading to meeting expectations as a goal been achieved. The speed of delivery is also considered since customers expect quick services from fast food firms with the staff maintaining the order accuracy.

Customers believe that the prizes of the food determine the value of the product that is why despite the food been a little expensive the shops are always with customers. Satisfaction starts from the environment, customer usually prefer smartness in shops which deals with food as they give greater importance to their health thus lead to the influence of the business image as well as their brand. Reliability of variety of meals lead to customer satisfaction too thus results in the loyalty of brand from customers. Taste of the meals has a greater impact on the satisfaction of the customer where most customers are more particular in spices that are used due to different health status.

2.2 Stock management

Stock management is vital to the proper or success functioning of supply chain management organizations, since it deals with ordering, storing, tracking and controlling inventory. It applies to each item organizations use to manufacture its products or services.

From commercial point of view, supply chain management stock has an important role. Stock management is vital element to both supply chain management and customer-supplier relationship. Stock control is used to show much stock you have at any one time and you keep track of it. People who are responsible with the stock control in the supply chain should be well equipped with the knowledge of each and every unit in the organization`s stores or warehouse. Stores department should be aware of the stock control, order management, supply chain link and inventory value.

2.3 TYPES OF STOCK MANAGEMENT.

Stock management involves the use of systems which update the stock levels between the supplier and the many customers which they supply the same product. Many companies use warehouse management system, inventory catalogue, pure periodic system, material requirement planning and many more. These systems holds paramount importance since it helps the firm to balance the demand and supply.

2.31 Economic Order Quantity

Due to efficient decisions which are made by the management, Economic Order Quantity have become a useful tool in different companies to enhance smooth cash flow in the business thus enable improvement in the performance of the organization. The economic order quantity also the procurement department to order the right or suitable amount of products per batch so as to avoid excess inventory sitting idle since the demand is not always constant. The system also reduces the cash outflow due to the reduction of ordering cost since the companies does not need to order the products within a short interval. The stock expenses of the business are minimized due to the reduction of both holding and setup costs.

2.32 Warehouse Management System

Warehouse management is a system which brings visibility into the business throughout the distribution channel from different suppliers until the product reaches the shop`s storeroom. It shows the process between step by step verifying each stage of the process thus lead to reduction of mistakes during the distribution channel. Information from previous days, weeks, months, years is also found in the system through information based on the data which have been tracked and kept in the system. Track also lead to the items to be quickly indentified thus saves time. Through the software integrations human errors are reduced which were usually found on the information based on paper. In fast food firms this system also decrease costs due to automated processes used for instance in restaurants they make use of automated machines such as chicken fryer which can cook 64pieces of chicken per 10minutes thereby the productivity of the firm and also increase the efficiency of the company. Reduction of the waste products also reduces the

expense of the business leading to the improvement of customer experience and also fast delivery.

2.33 Pure Periodic System

Pure periodic is a system which is usually done manually by using the physical stock counting. Whereby there is opening and closing stock on daily basis making it easier for the stores person to understand between the beginning and the ending of stock management. The system also makes use of FIFO method which is First in First Out so as to avoid deterioration or wastage of the products which were bought at first before other batches thus their expiration dates will always be first. Some companies also make use of Last in First Out. The system is cheap and suitable for small entities which are growing which do not have enough capital to install inventory software's as it always updates the closing inventory.

2.34 Material Requirement Planning

Through material requirement planning, fast food firms are able to plan for anticipated demand through studying the trends and also the information about inventory. The system is also suitable for reducing wastage through the optimization of the levels of stock. Since it relies on the firm`s sales, when there is reduction in wastage it means that more products are being produced thereby increasing the sales of the business and also leading to the increasing of profit margin resulting in the improvement of organizational performance.

2.4 Drivers for fast food firms to hold stock

2.4.1Expected change in price

Due to the instability of the Zimbabwean economy expected change in price have become the reason for holding stock on organization. A rise of prices in future for the products needed for the operation is unpredictable due to high inflation, thereby helping the firms by avoiding losses

since they are bound to buy in excess leading to meeting the demand of customers. These unpredictable has made organizations insecure with their price tags which have made them to give quotations which are only valid for 24hrs.

2.4.2 Unpredictable change in demand

In fast food firms demands changes on daily basis depending on the dates or seasons. During festival seasons, public holidays, opening days of boarding schools to just mention a few, on those days the demand of food in restaurants is always high and is also unpredictable thus makes it a driver for holding stock. However, in the past recent years Covid 19 restrictions have been a cause of unpredictable change in demand where customers were afraid to move around purchasing protecting their health and also Covid restrictions were also not allowing people to travel to another province thus giving the procurement no choice but to buy in demand in order to meet unpredictable demand in case they arise in future.

2.4.3 Supply interruptions

Due to the whole process of supply chain there is need to stock products in order to cater for interruptions which may occur along the process. In the process so use exported raw materials from overseas where sometimes the materials have to use different modes of transport and it is also believed that logistics problems because of distance and also problems in handling the products on shifting of goods from one mode of transport to another. Thereby causing delaying of production therefore affecting the performance of the firm.

2.4.4 Economies of scale

Furthermore companies hold stock in order to realize economies of scale in bulk buying and also in production. Lowering costs is being engaged through raising their production taking

advantage of the cheap commodities. Some companies offer free transportation when the customer buy goods in bulk thereby reducing the costs of the business.

2.5 Challenges faced by fast food firms in adopting inventory management

2.5.1 Lack of funding

In order for an organization to establish inventory control systems it needs capital thus makes lack of funding a challenge being faced with fast food firms. For establishment it needs a lot of capital which must be budgeted on the budget made for the companies so that money for other products will not be used to inventory systems so that it will not affect the performance of the organization.

2.5.2 Lack of management commitment

In most companies management usually pass tasks to the junior subordinates so that they will work on the job given to them. Most of them does not follow up the job which is being conducted which they have delegate since most of the managers are less involved in the daily activities the supervisor on shift is the one who is held responsible for the shift. This lead to a number of errors and mistakes thus lead to lack of management as one of the challenges.

2.5.3 Inadequate sharing of information

It becomes difficult to operate in the stores department to operate the stock control system if they do not share information which will result in not having accurate number of stock in the storeroom or warehouse of the firm. When the member of the department with the full

information is on off or leave then the remaining staff on work will have problems. Henceforth inadequate sharing of information is a challenge in adopting inventory management.

2.5.4 Lack of knowledge and skills

Since some of the organization are employing unqualified staff with lack of knowledge and skills have become a challenge when adopting inventory management thus leading to loss of money in the firm. There is also need for hiring qualified member to train other employees thus increasing **t**he expenses of the business**.**

2.6 The relationship between inventory management and organizational performance

2.6.1 Reduced stock deterioration

The relationship between inventory management and organizational performance is reduction of stock deterioration. As propounded by Brealy 2006 says that stock management goal is to have the right product at the right time place at the right time to prevent the stock from deterioration or from expiring, if the products are perishables they prevent them from being wasted. With the use of just in time inventory management system there is high impact of reducing stock deterioration since the products are delivered the time they are about to be needed for production. Thus lead to reduction of company expenses since wastage is reduced thereby more production in the firm. Henceforth reduction in stock deterioration leads to the improvement of organizational performance.

2.6.2 High product availability

It is believed that stock management system enhance product availability in companies since the system gives warning when the stock has reduced its quantity depending with the minimum level settled. For instance if the company is using Economic order quantity it gives a warning to both the buyer and the supplier. Thus enhancing product availability in the warehouse or in the store room. Thus always have an updated stock all the time are if there are products which are about to be out of stock they are quickly ordered so that the product are quickly ordered so that the product will be always available before it's been out of stock.

2.6.3 Reduced stock outs

Most of the companies prefer to hold extra stock in order to meet all the customer demands by avoiding stock outs. Thus the relationship of inventory management and organizational performance is supported with the result reducing stock outs in companies. The image of the companies is affected negatively if it fails to meet the demand of the customers due to the stock outs thus also affecting the performance of business. Thereby maximization of sales is not met leading to the decrease of profit of profit margin. Therefore inventory management reduces stock out through monitoring and tracking of products on actual time.

2.6.4 Timely delivery of goods to costumers

Most of the companies adopted the use of stock management systems so as to match the usage of products and the deliveries from supplies which result on flowness of organizational performance. In order for the organizational to perform well the staff must achieve the goal of satisfying their customers.

2.7Theoretical Framework

Theoretical framework refers to the philosophical basis on which the research takes place and forms the link between theoretical aspects and the practical components of the investigation being undertaken (Mwangangi, 2010). This framework will show how inventory management will improve organizational performance.

2.71 Transaction cost theory

This theory was found by Ronald Coase 1984 assumes that the transaction that occurs between the humans and the business environment is considered as one of the causes of the cost rise in the market. The business costs are highly determine its supply and spreading's. Through stock management the theory ensures that all costs are kept at a minimum level since the impact is on the amount of the net return of the company can get since low transaction costs can ensure that a company can get the amount of profit from its sales after selling their goods or services.

The theory is important to the organizational performance since it guides them against incurring unnecessary cots that will have a negative impact on the aim of profit maximization. Thereby, through transaction cost theory costs are reduced and the organizations becomes more efficient , more capital and labor are freed to produce wealthy hence allow the firm to hold stock according to their pockets thus being able to balance customer needs and supply forecast leading to flowness of organizational performance.

On the other hand, transaction cost theory has some limitations and one of the limitations is that it neglects the social and personal relations. Henceforth, this theory is relevant to the research since the effective stock management improves the organizations performance through the reduction of costs through the whole supply chain which lead to the improvement of the supply chain of the companies and service delivery to the customers.

2.72 Resource based view theory

According to Wernerfelt 1984 resource based theory in firms starts from the concept that firms starts from the concept that a firms performance is determined by the resources it have its disposal, the way the resources are used and configured enable the firm to perform and provide a different competitive advantage. Jay Barney (1991) argued that to deliver long term competitive advantage the materials used should be valuable and of high quality, rare imperfectly, imitable and non-substitute. This is important in the firm's performance since throughout the whole link the companies will employee qualified staff with certain skills required which enable them to manage different stock management techniques. Thereby wastage and unnecessary costs are reduced. The significance of the resource based view theory is through understanding of the relationships between capabilities, economic rent, resources and competitive advantage according to Barney (1991). Since the firms is supposed to perform more than its competitors when the business can produce at a lower cost whilst meeting customer satisfaction as a goal thus promoting problem-solving and higher-order thinking skills where employees actively interact with it through engaging, relevant resources.

2.73 Theory of constraints

As propounded by Eliyahu M GoIdratt (1984), Theory of constraints is a method for identifying what holding your project back and improving it so it's no longer a limiting factor . GoIdratt suggested that firms can achieve their goals by identifying and leveraging a system constraints where constraints are barriers that limit your performance since all business have risk and limitations that can distribute the of the inventory management systems thereby hinder the ability of a perfect inventory . Theory of constraints helps in inventory management since its deals with the chain schedule including delivery dates thereby the products/services will always be available on time .Furthermore it helps on the cost constraints budget through the whole operations process since they would have discussed both fixed and variable costs within the chain .Thereby helps increasing profits through continuous improvement since theory of constraints focuses on working with limiting factors and utilizing them as opportunities to drive production and boost revenue .However on other hand managing complex tasks unqualified may be difficult since it deals with variation which prevents the operation of a balanced factory since

it works with 5 processes of ongoing improvement. Henceforth the theory of constraints helps to improve its overall performance through the inventory management with regard to its productivity objectives and the performance which is measured on investment and cash flow.

2.8 Empirical Literature

In this section, an attempt is made by the researcher to review the previous studies carried out in relation to inventory management on organisational performance.

Dorothy Oballah, Dr Esther Waiganjo and Elizabeth Wangu Wachuri conducted a study on the effects of inventory management practices on organizational performance within the context of public health institutions in Kenya. This research was done to show the significance and the impact of the effects of inventory management practices on organizational performance in health institutions with specific objectives to establish effects of inventory investment, inventory shrinkage, and inventory accuracy records. The researcher made use of a descriptive study design as a method used to provide a depth understanding of inventory management. According to Yin 1994 a case study approach is an appropriate methodology when one wishes to answer the study's research question from the perspective of current practices versus theoretical reason. It targeted 74 participants for the research using census method due to the limited number of the respondents which were allowed for the whole population to be included in the study. There was also use of open and closed questionnaires as the research instruments of the study and also the data collected was analyzed through descriptive statistics in the form of tables. It was concluded that the role of inventory management is continuously rising in the health sector industry, pharmacy purchasing and inventory management. Therefore the pharmacy management team is supposed to adopt to stock management practice which have positive effects on the hospital performance. Henceforth inventory record accuracy, stock investment and its turnover in the pharmacy buying departments will improve optimal stock management and organizational performance too.

Enock. G Musau, Professor Gregory Namusange, Dr Elizabeth.N Makokha and Dr John Ngeno conducted a study on the effects of inventory management on organizational performance among

textile manufacturing firms in Nairobi (Kenya). The researcher studied on this study in order to bring out the significance of inventory management on the performance of the organization in terms of profitability, reliability, cost, flexibility, responsiveness and asset management efficiency of textile industry. The research was done using both qualitative descriptive method and quantitative explanatory method to describe determinants and performance criteria used by textile firms. Creswell (2013) articulated that the choice of the design is informed by the desire to make an analysis of the problem by merging qualitative and quantitative data. Stratified and simple random methods were also used to select departmental employees which lead to 124 participants from departmental employees being selected and 15head of procurement departments. Interviews and questionnaires were designed to collect primary data. Publications and literature related to the supply chain management were used for secondary data. Thereby making it clear that both primary and secondary were used for the study. In conclusion of the study the outcome indicated that stock management is a determinant of performance since stock management put clear mechanisms in place, transparency material flow which can be tracked along. Thus the management should encourage use of modern inventory system to optimize overall performance of the firm.

A research was conducted by Jefwa Mwachiru and Everlyn Dtche to establish the effects of inventory management system on organizational performance a case study of Grain Bulk Handlers Limited in Kenya. Its objective was to study the effects of the inventory management on the organizational performance through the effects of the inventory, control, speed, accountability and cost on organizational performance. The research was done with a targeted population of 672 employees at Grain Bulk Handlers hence the sample size of 100 was used. The research design method was used to conduct the research. Research design is defined as a plan according to which research participants are collected in order to collect information. Closed and open questionnaires were also obtained through primary data. Stratified and random sampling techniques were also used in the study. Descriptive statics such as gender, age bracket, position held by the employee and lengths of service were also analyzed. The results of the study shows that stock management and organizational performance have a strong and positive bond in hand which include stock accountability, stock speed and the stock costs.

Daniel Fitnafu and Assefa Balda (2018) conducted a study in the relationship between inventory control management and supply chain performance in the small enterprises in Ethiopia. The researcher studied on this study in order to bring out the significance of the inventory management in the performance of the organizations. The research was done using quantitative survey approach targeting micro and small scale enterprises. The small scale enterprises were chosen using random sampling technique and also use designed technique and also used designed questionnaires organized by using likert scale ranging. Maria and Jones 2003 argue that implementation of inventory management practises involves providing high quality products at relatively less costs. Thus makes inventory management important to any company since it helps in the performance improvement and attaining greater levels of customer satisfaction. In conclusion of the study the outcome indicates that the higher levels of stock management improves the supply chain performance as it have a direct positive impact on the performance of small market enterprises. They also added that necessary skills and knowledge about the use of stock management techniques and decision models is required

According to Olimyan Ibukunoluwa (2020) research it focused on the effect of inventory management system on organization performance of selected stores and supermarkets in Oshogbo, Osun State Nigeria. The objectives of the study were to find the effects of inventory management practices on organizational growth of stores and supermarkets in the state, the effect of inventory management on organizational profitability and the effects of inventory management on sales turnover of the sample of stores and supermarkets chosen. The researcher used descriptive research design on the study and they did make use of primary data too which was collected through questionnaire. The research design was used due to a large population of the study from which data was collected. The participants included stores department, accountants for both stores and supermarkets. Questionnaires comprise work safety stock and organizational efficiency. The sample size used was twenty in total (for both stores and supermarkets). The researcher found out that inventory management have an effect on organizational growth, sales turnover and profitability.

Phebe Simon and Njoku Peter Chiukwiemezeem (2016) both thoroughly examined inventory control and organizational performance using the case study of Dansa Food limit in Nigeria. The research was conducted to address the challenges associated with inventory control since they have been inefficiency and uncharted inconsistence. They used a survey research to conduct their study with a purposive non probability sampling technique. They made use of weighted scale and questionnaire. T-test was used as a statically tool. Descriptive survey was used as tools for cost control in operation of inventory management since it give room for large amount of data for large population. The primary data which was collected was quantitative in nature and they made use of questionnaires and visual observation to verify the whole process. The data source was from Dansa group of company in Ikeya Lagos state where sample size was randomly chosen to be 220. Demographic characteristics were analysed using the percentage techniques according to the results from the respondents. It was concluded that the researcher used random sampling on selecting the sample size in order to remove the bias on researcher`s side. The results also indicated that inventory management have a positive impact on the performance of organization and thereby contributing to production quantity and quality of Dansa Food limited.

Additionally, Naomi Nduta Gitau (2016) deeply looked at the effects of inventory management practices on operational performance of warehousing firms in Mambosa County Nairobi. The researcher examined determining the effect of inventory management practises on operational performance of warehousing as well as ensuring that operational performance is being catered for. Descriptive design mainly focus on finding out who, what, when, where and how much as propounded by Saunders et.al 2009. The researcher looked at all warehousing firms in Mambosa thereby adopting correlation survey hence inventory management have a positive effect to the operational performance of the warehousing. The population size of ware housing's used in the study were 48 and targeted participants were staff in departments since the population was small. There was also use of questionnaires as they collected primary data. It was concluded that all warehouses should engage in inventory management systems so that they can enjoy the benefits or the advantages.

2.9Conceptual theory

Fig 2.1 Conceptual framework of the study

Dependent   **Dependable**

| Just in time |

| Pure periodic system |

| Material Requirement Planning |

| Customer satisfaction |

| Efficiency |

| Economic Order Quantity Entity |

| Sustainability |

| ABC Analysis |

| Profitability |
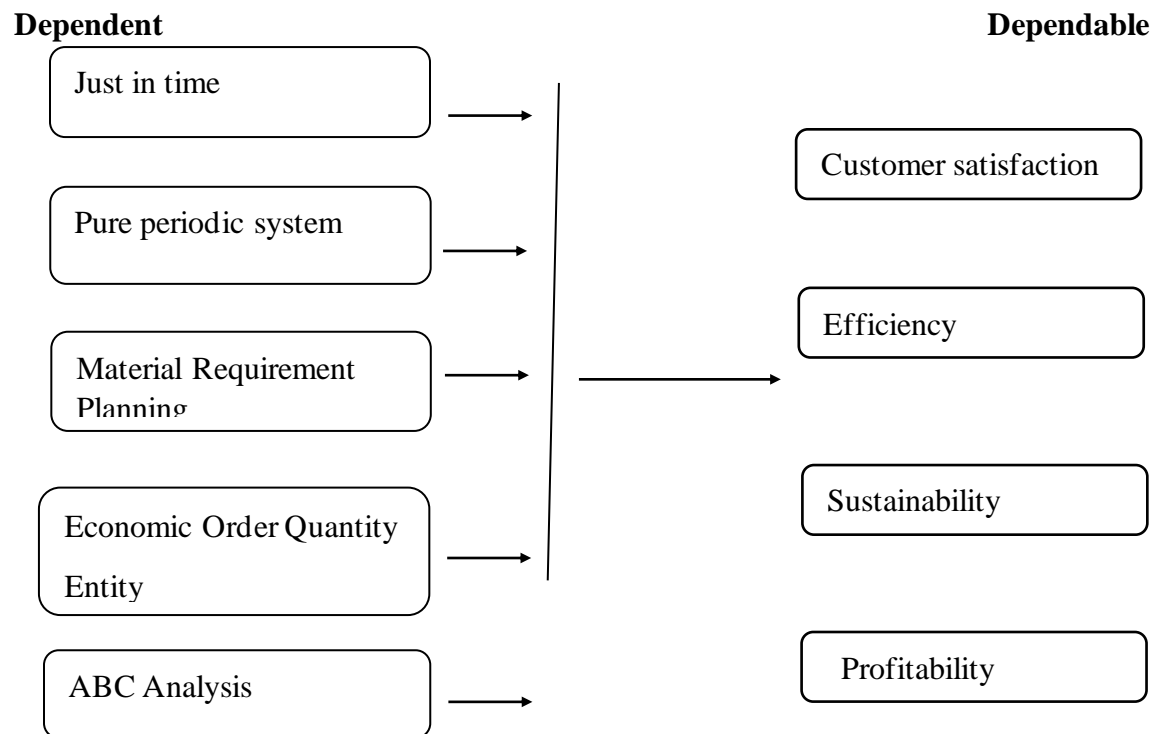
Source: Researcher's own

2.10Gap analysis

It can be realized from the other studies that more focus was put on stock management whereas little attention was given to the organizational performance. Moreover, most of the studies were

not conducted in Zimbabwe but in Kenya, and Nairobi thereby the techniques used in those countries may not be appropriate for firms in Zimbabwe thereby creating a gap in the existing literature. Henceforth from the past studies there is unreliable of information since the studies were carried out with small sample size or by choosing one firm due to generalization.

2.11Summary

 The section has looked at the main theories, literature and evidences that form the background of inventory management, drivers to hold stock, techniques, challenges and its contribution to organizational performance expressing views on the issue. The next chapter will show the methodology of the study.

CHAPTER III

3.0 RESEARCH METHODOLOGY

3.01 Introduction

This chapter will outline the research method used in carrying out the research. It gives an outline of the research design, the sampling plan, and the data collection and analysis procedures; it includes research design, population of the study, sample, sampling techniques, data collection methods and a data analysis presentation. Jankowicz (1995) defined s research methodology as ''analysis of, and national for, the particular method or methods used in a given study and in that type of study in general.

3.1 Research design

According to (Creswell 2014) research design are the specific procedure involved in the research process data, collection data analysis and report writing. Descriptive research design is adopted by the study since it's suitable for renewing research question. A descriptive study enable supply chain design of the firm to reduce inventory transportation cost, identify opportunity of cost saving and increase transparency. Quantitative analysis was used to pacify the participant thought in order for them to have fall knowledge of supply chain management adopted in the selection department of fast food firms as in it how it affect the customer supplier relationship checking on the responses from department supervisor.

3.2 Population statistics

As propounded   by (Courtney Taylor 2019) population statistics process used to observe behavior, trends and pattern in the way individuals in a certain group with the world around them. The focus of the study was on the three departments which are creamy, pizza, and chicken. A survey was conducted to the supervisor on stock movement and they gave appreciation to the flowness of the stock movement which is only successful due to the maintenance of organizational performance.

Table 3.1 Population

Name of company	Number of targeted population
Chicken Inn	20
Chicken Matty	20
Chicken Lovers	20
Rosella Chickens	20
Total	**80**

The population included participants from all departments from the company including stores, finance, kitchen and procurement of all the four companies which a total of 80 respondents

3.4 Sampling

Sampling involved the selection of a portion of the population of interest in order for the researcher to be able to gather, collect and analyses data from at departments. Henceforth a survey was carried which is to ensure that clients will receive a product that does not less. The researcher used the Yamane (1967) formula where the sample size is 80 and 5% been the margin error with the confidence interval of 95%, the formula is shown below

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

n= required sample size

N= population

1= constant term

e=precise degree

$$n=(\frac{80}{(1+80(0.05)^2)})$$

n= 67

3.5 Data collection

Data collection is the process of gathering and measuring information on targeted variables in an established system which enables one to answer relevant questions and evaluate outcomes (Collin E.M 2020). This research used primary data since it is flexible, inexpensive, efficient and accurate (Mugenda 2013). Questionnaires targeting the departmental supervisors collected were used to understand the organizations performance especially the stores department which is considered to be the heart of the company. The questionnaires were given off to different participants and then collected later. The importance of self-completion surveys is that it is

flexible to the participants since when a survey is self-administered it empowers the participants to take it on their own time at their own convenience. This was measured using the response rate since Plaza 2008 indicates that the goal of the researcher according to the respondents should approximately be 60% and above.

Table 3.2 Response rate

Department	Expected sample size	Number of responding	Response rate
Stores	20	15	75%
Procurement	20	18	90%
Finance	20	14	70%
Kitchen	20	16	80%
total	**80**	**63**	**78,75%**

Furthermore, the researcher made use of secondary data. According to Kotler et al 2008 secondary data is defined as the information that is already available elsewhere having been collected for any other purpose. According to this study internet and journals were used as a source of information since they already have existing data which assisted in the carrying out of the study since the data was immediately available for the user. Secondary data was used since it reduce the costs to the firm of the research due to transport costs and food allowances are avoided thus saves the money for the company however, the information collected from the source may not be relevant for the study since it was collected for another agenda.

3.6 Data Analysis

In the research process data analysis plays an important role in decision making. According to Orodho (2004) data analysis is systematically searching and arranging interview scripts notes

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and other materials obtained in the field with the aim of increasing understanding on them and enabling the researcher to present to others.

3.7 Reliability and validity

Reliability concerns the consistency and the accuracy of the result obtained and it is achieved if the result can be repeated (Collis and hussy 2003). The researcher needs piloting in order to test the reliability of the instrument before they collect actual data. Validity according to (Thieart 2001) the main concern with the validity are whether the measured data is relaxant and precise and the second is the extent to which we can generalize the result. Thereby the researcher removed the bias in the research instrument.

3.8 Ethical considerations

These are set of principles that guide the research designs, practices and also consider the safety and protection of the participants so that none of them should be subjected to harm in anyway. It also states that the use of offensive language needs to be avoided and privacy is of paramount importance   since confidentiality of researched data should be ensured. Secondly there were other voluntary employees who participated from different departments without being forced. All participants were recorded as unknown, no identity was revealed on the questionnaire and reports provided.

3.9 Summary

The chapter dealt with the research design, sampling techniques and research instruments used. The process of data collection, analysis and presentation as well as the data collection and analysis procedures were also discussed in this chapter. The next chapter focuses on data presentation, analysis and interpretation to ensure that the collected data best answer to the objectives of the study.

CHAPTER IV

4.0 DATA PRESENTATION ANALYSIS

4.01 Introduction

The research objective was to determine the operations management practices and performance of fast foods in Zimbabwe to improve productivity. In this chapter there will be presentation of analysis and findings with respect to the objective and discussion of the study.

4.1 Demographic Information

A sample of 4 shops with similar departments in the fast food sector, however only 3/4 responded representing 75% and this formed the basis of the findings presented in this report. The findings from the study are presented in narratives, charts and tables. The target populations in this study were the departments where the respondents targeted were the managers and supervisors in the organization. Respondents of the study confirmed that they have an operations department in their organization. As propounded by Bell (2007) the response rate which is above 60% is considered to be perfect

4.2 Interview Response Rate

Some of the interviews conducted by the researcher where done through telephone to those workers who were working from home due to different shift and off days. The table 4.1 below

shows that 2 interviews where scheduled from the stores department and all of them were successfully carried out giving us the response rate of 100%.

Fig. 4.1
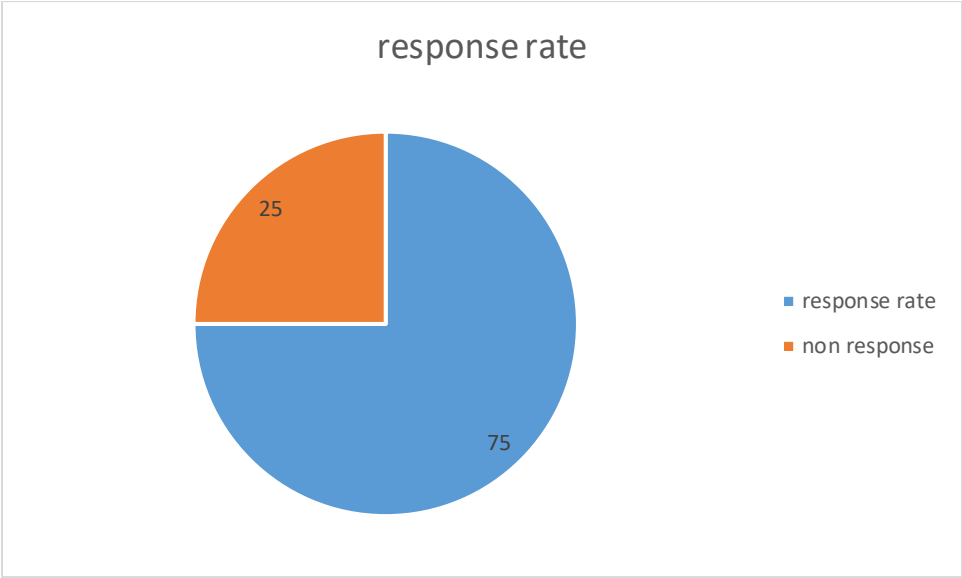
1 Interview response rate

Table 1

Participants	Interviews scheduled	Total participants	Response rate (%)
Stores	2	2	100
Total	2	2	100

4.3 Demographics

4.31 Gender

The researchers also asked the participants on the questionnaire to indicate the gender. The fig 4.2 below indicates that 85% were females and the 15% remaining were males. Thus indicates that fast food firms are dominated by female employees due to the nature of activities performed in restaurants.

Fig. 4.2

gender of respondents

15%

85%

■ female ■ male
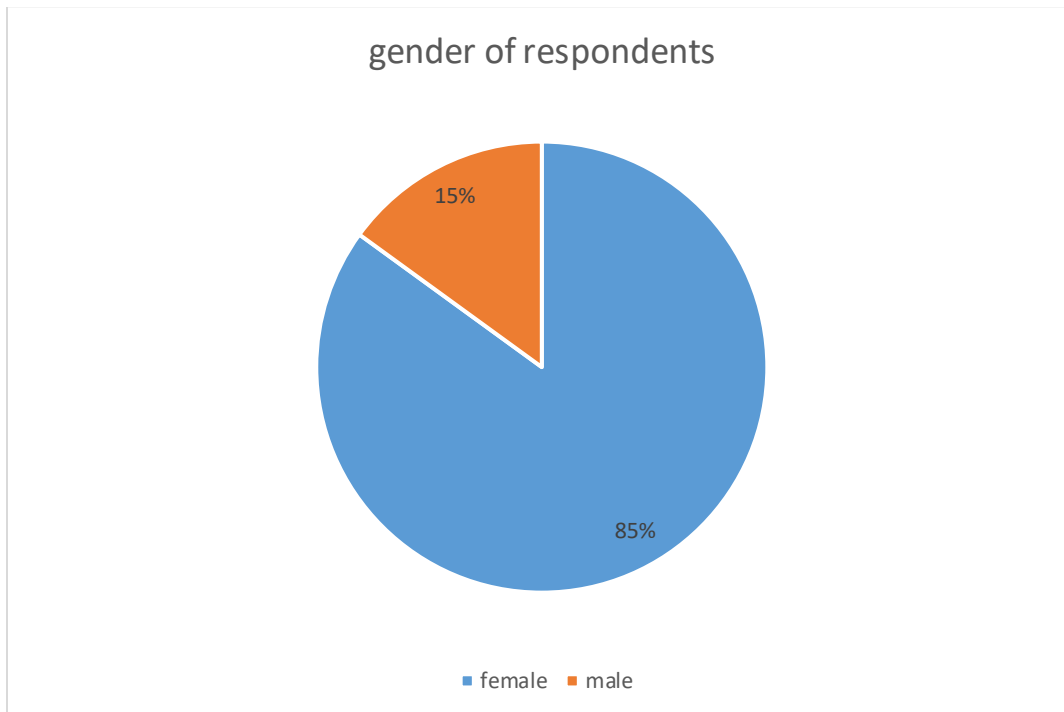
4.32 AGE OF RESPONDENTS

Age Of Respondents
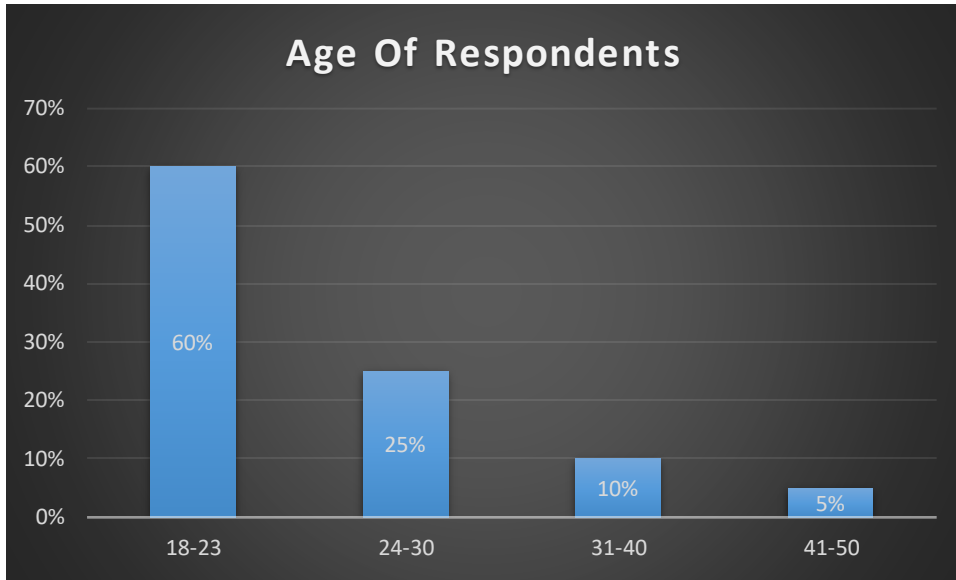
Fig 4.3

From the results shown above it shows that 60% of the participants are at the age of 18-23 years, 25% are at the age between 24 and 30, 10% between 31 and 40and the last group of 40-50years had 5%. This shows that most of the employees are young and energetic since the type of job is in need of active staffs that are productive.

4.33 Distribution of respondents by academic qualifications

Fig 4.4

Academic Qualification
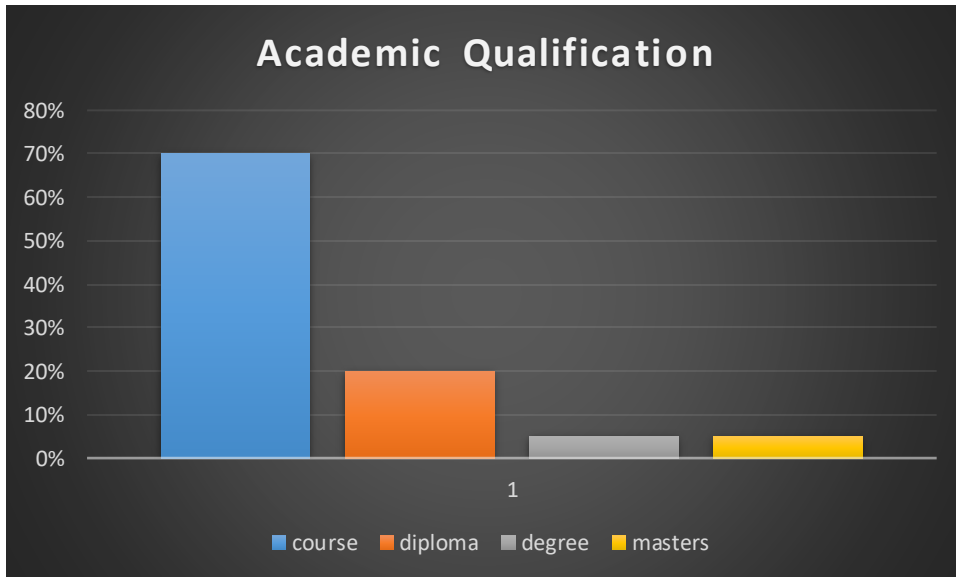
In the study the researcher also wanted to know the qualifications of the participants in which the results were obtained. The fig above shows that 70% of the participants had courses certificates, 20% had diplomas, 5% with degrees and 5% with masters. According to Partson (2008) highlighted that educated and qualified labour force have preferable thinking limit compared to those with little education since they are able to make decisions quickly.

4.34 Distribution of respondents according to departments

Respondents were asked to indicate their departments on the questionnaire. After going all the questionnaires it shows that 40% of the participants were from stores, 20% from finance, 20% from procurement and 10% from the marketing department. Thereby the stores and procurement department are responsible for the customer-supplier relationship in the supply management.

Fig 4.5

4.35 Distribution of respondents according to work experience

Fig 4.6
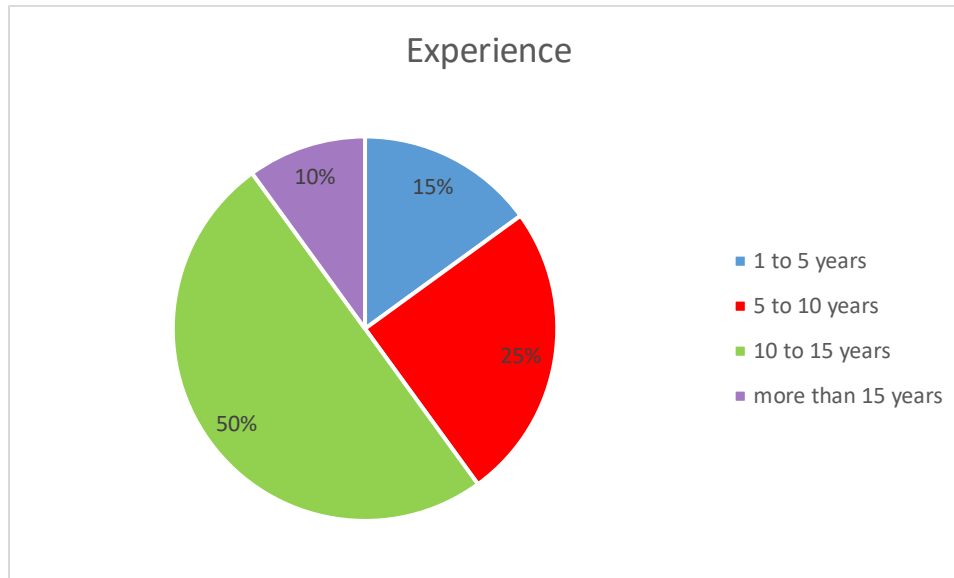
From the pie chart above it shows that 15 % of the workers have been working in the fast food firms from at least a year to 5 years, 25% served 5-10 years in the sector, 50% also between 10-15 years and 10% of the workers have being employed in the fast food firm for more than 15 years. The chart shows that the participants are more experienced and that were capable of providing adequate information needed for the study.

4.41 Inventory management awareness

Fig 4.7

According to the results on the questionnaire it shows that the participants (representing the employees at the firm) have few knowledge on inventory management including the supervisors of various departments in the kitchen. The figure above shows that 10% of the participants strongly agree, 15% agree, 5% neutral, 20% disagree and 45% strongly disagree.

4.42 Emphasis placed on maintaining stock records and monitoring ideal stock
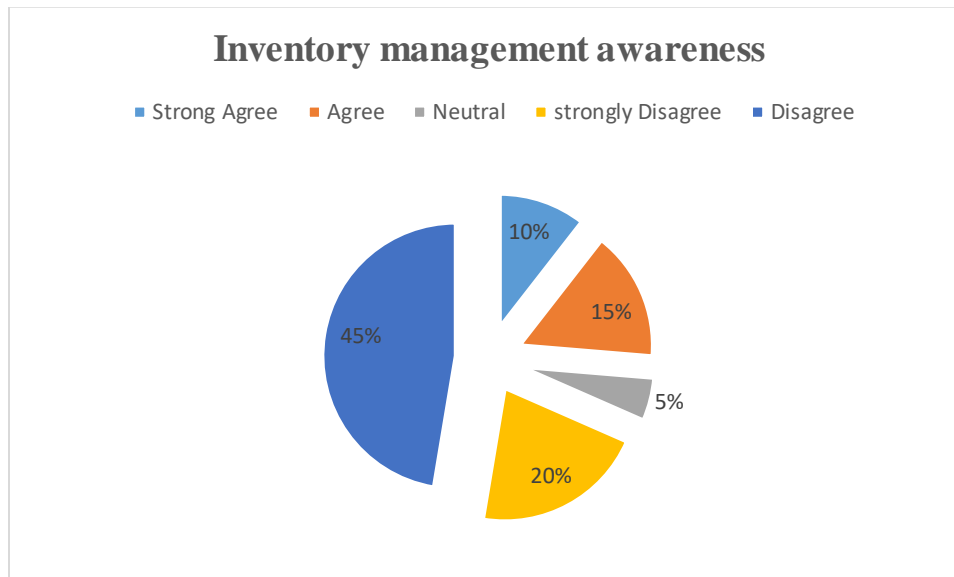
Respondents were asked to indicate on the questionnaire whether their firms put effort in the stock management records and also the level of stock. From the graph below it shows that 70% of the participants strongly agree, 23% agree, 2% neutral, 5% disagree and 0% strongly disagree. This shows that most firms are concerned with meeting their objectives of customer satisfaction and meeting the demands. Thus motivates them in monitoring optimal stock levels and keeping them too. As propounded by Dong and Dresner (2010) that stock monitoring is important for daily running of fast food companies since it helps to maintain right amount of stock thereby avoiding holding capital into much stock.

Fig 4.8
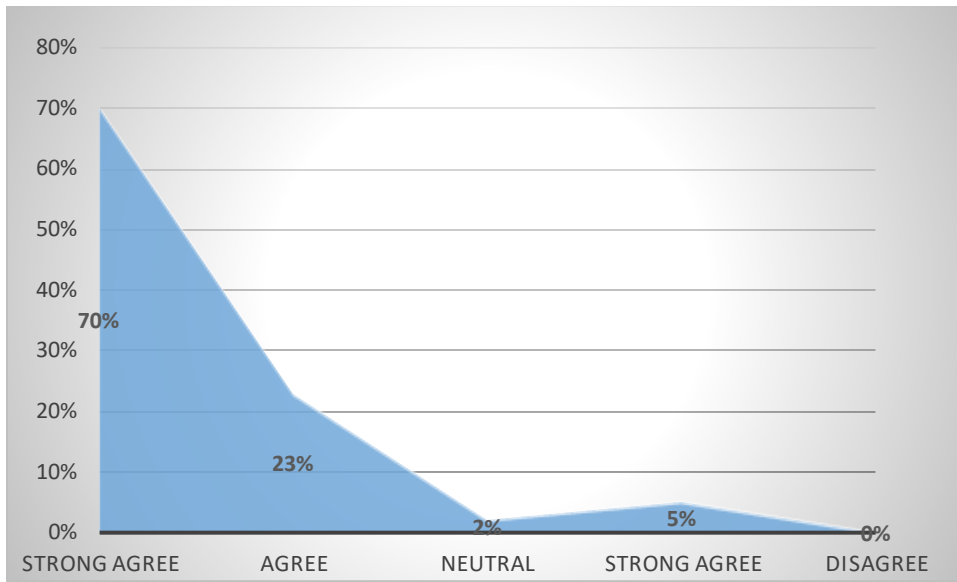
4.5 Drivers for fast food companies to hold stock

Fig 4.9
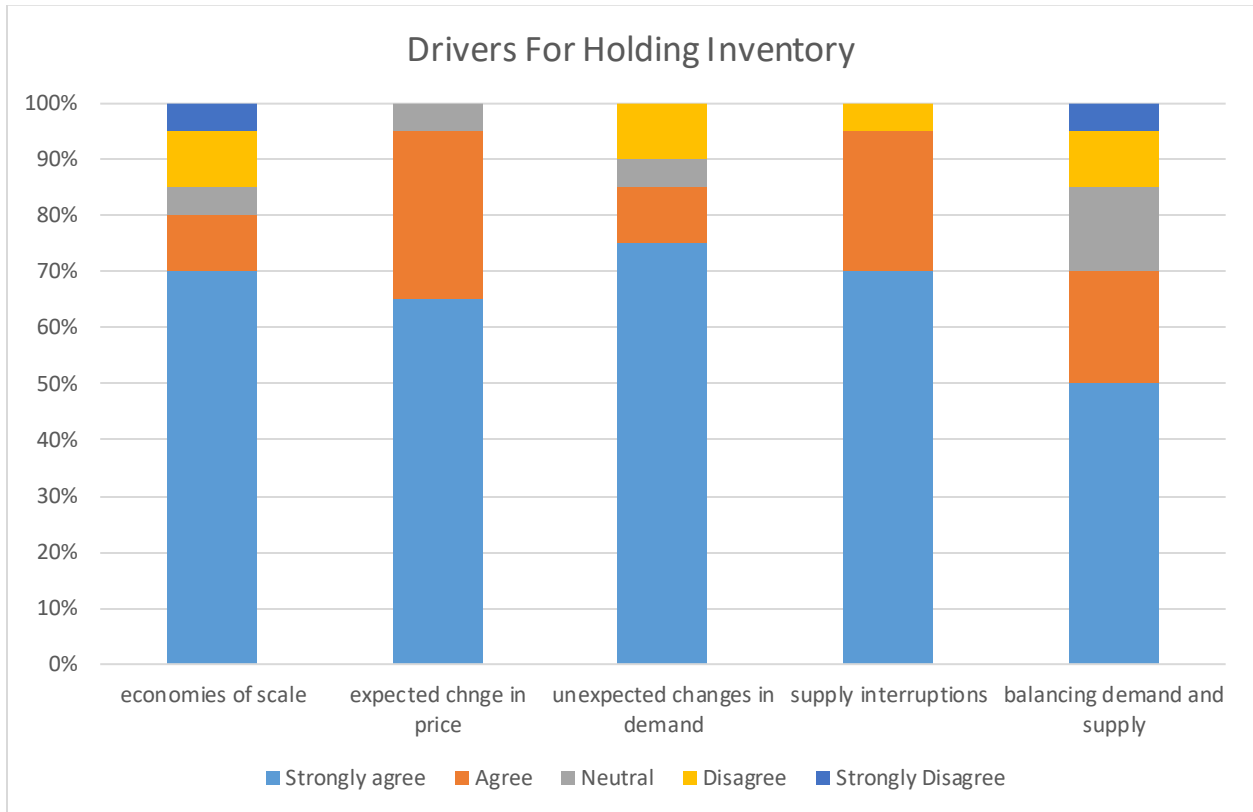
From the graph shown above it shows that the results indicate most of the participants were strongly in agreement with the drivers starting from economies of scale and balancing demand and supply. On economies of scale it shows that 70% of the respondents were strongly in agreement, 10% agreeing, 5% were neutral, 10% were disagreeing and 5% were strongly disagree. Their companies have achieved economies of scale by lowering their costs through raising their production costs since they were able to buy resources in bulk because of access to cheap commodity. Since they also realize the economies of scale in production, transportation and purchasing. Through equipment utilization, firms were able to realize their economies of scale in transportations since they can move large quantities.

In the past 3 years due to the Covid 19 pandemic, there was a change of demand due to customers who were afraid to move around and fast food firms were closed. There was also restriction of some of the products from different countries, different provinces due to strict

lockdowns and operation of the chain which had stopped. There was also the issue of distance between the shops and the suppliers especially on peak days, festivals and holidays if there is a sudden rise of demand and we have few short of products, it is difficult for the firm to cover up the gap. Thus the companies keep inventory above the normal level so as to cater for market fluctuations thus avoiding loss production/supply as propounded by Athrel and Mchoney (2009). The graph above shows that 75% strongly agree, 10% were agreeing, 5% were neutral while 10% disagreeing.

Chen et al 2015 talked over about dynamic pricing based on inventory holding cast as a function using a single stock hold. Instability of the economy have being the main cause of expected changes in prices since most of their suppliers were giving them quotation which were valid for only 24 hours due to the inflation of the currency. From the participants it shows that 65% strongly agree, 30% agree, while 5% are neutral.

Due to the unreliability of suppliers, there is need for firms to hold stock since it would assist the firms' performance in times where suppliers have high demands leading to the unavailability of raw materials.

4.6 Inventory management techniques that are adopted in fast firm sector

According to Chase et.al (2009) he emphasis that just in time method keeps stock levels low by only generating for specific client orders . As a result according to the study above it shows that 50% of the participants use just in time, 15 % use pure periodic system, 5% material requirement planning, 20% economic order quantity and 10% warehouse management system.

Fig 4.9

inventory techniques
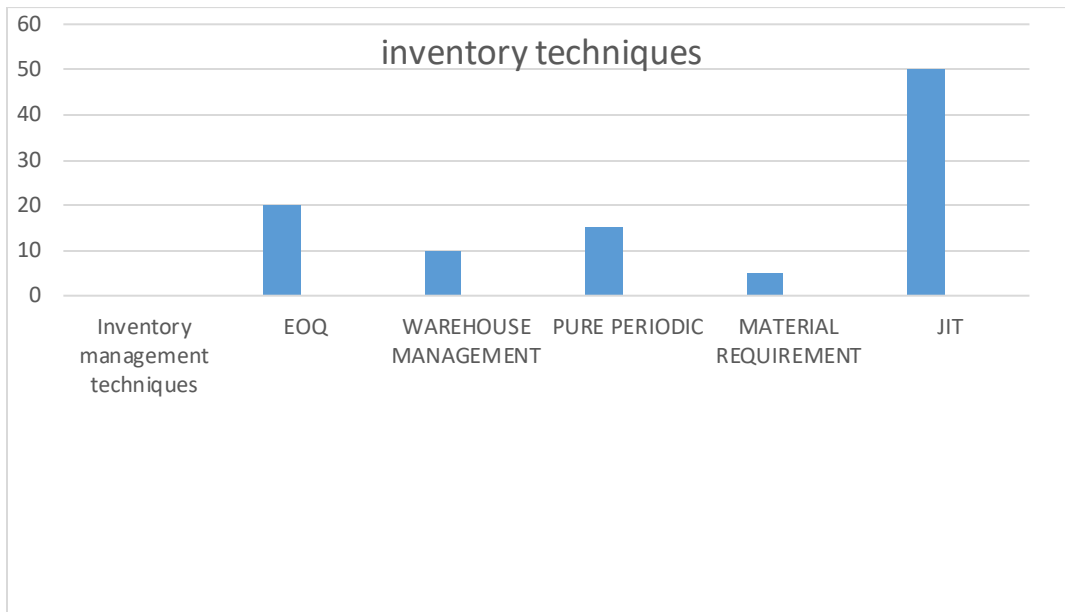
4.7 Challenges Faced by fast food companies in adopting inventory management terchniques

Chart Title
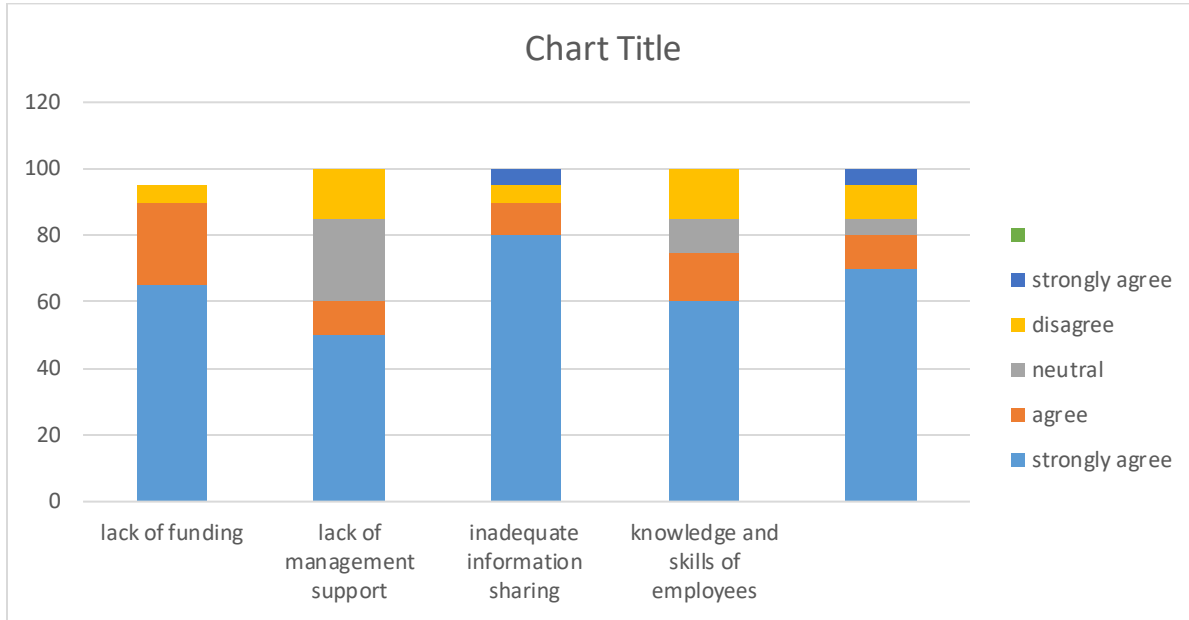
Doing both manual and computerised inventory management requires adequate resources and capital in order to be successful. Since stock control should be in the budget, most fast food firms prioritize inventory in order not to lose time and money. The research stated that companies with sufficient money smoothly run their daily activities involved in the firm as articulated by Carter and Price (1993). According to the figure the participants strongly agree that the lack of funds in the firm is a challenge faced by fast food firms in managing its inventory 65% strongly agreed, 25% agreed and 5% disagreed.

Demand variability as also another challenge faced by companies in stock management. The graph above shows that 70% of the participants strongly agreed, 15% agreed, 3% were neutral, 10% disagreed while 2% strongly disagreed. Since it is believed that higher demand variability was a positive impact on organizational performance

Furthermore, inadequate sharing of information is also another challenge in adopting inventory management. Lack of knowledge leads to lack of coordination in the firm hence controlling inventory would be difficult.

Since managers are less involved in the daily activities in inventory management, they do not have the full insight of the rightful needs. Managers tend not to commit themselves so it becomes difficult for them to adopt to inventory management, 50% strongly agreed, 10% agreed, 25% were neutral and 15% disagreed. Due to constants flow of inventory, human errors are bound to happen so if the management followed up on daily activities, some of the errors would be avoided.

Due to under qualified staff, the lack of knowledge and skill as a challenge becomes a liability to the business in terms of service. This slows down operations and recording the daily stock movement. The firms particularly have lost a lot of money through lack of knowledge and skills. The Fig above shows that 60% strongly agree, 15% agree, 10% were neutral while 15% disagree.

In addition, poor forecasting is also another challenge faced in adopting inventory management techniques. Since imprecise forecasts lead to various difficulties which include customer dissatisfaction, loss of production, just to mention a few. According to the figure, it shows that 70% strongly agree, 10% agreed, 5% were neutral, 10% disagreed while 5% strongly disagreed.

4.8 Relationship between inventory management and organizational performance

Fig 4.10
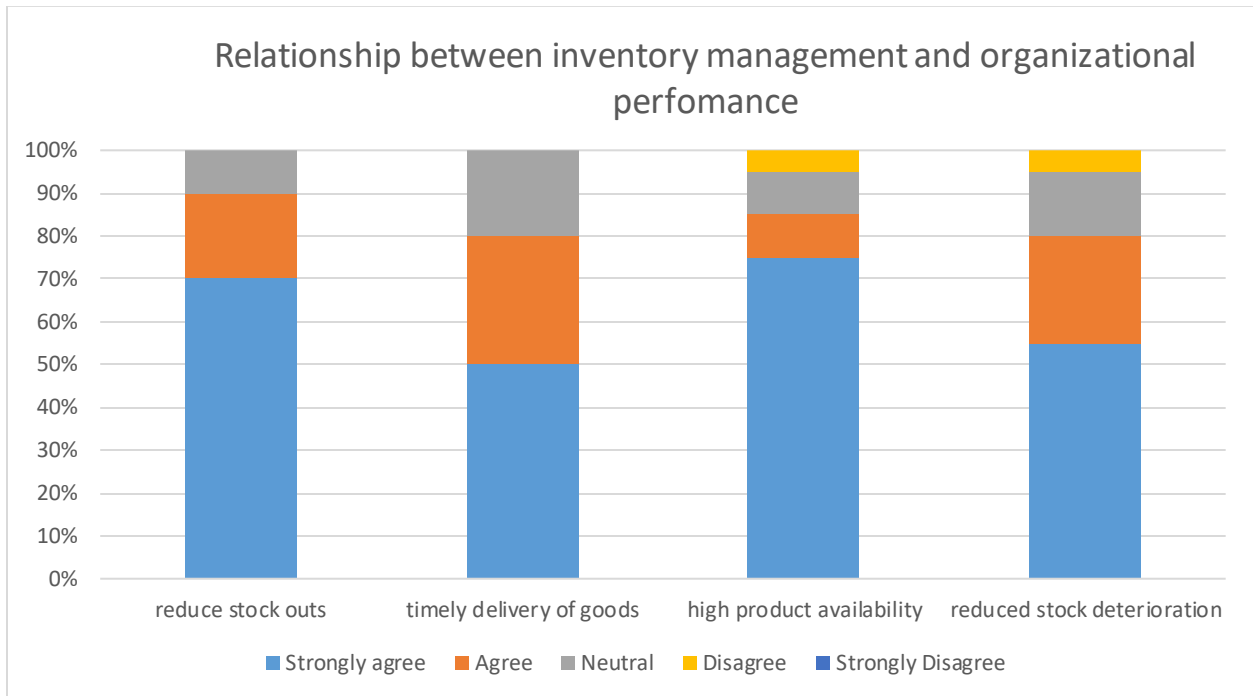
It is believed that the inventory management system reduces stock deterioration. According to the participants, it shows that 55% of the participants strongly agreed, 25% agreed, 15% were neutral while 5% disagreed. The result shows that proper inventory management leads to a decrease in the number of inventory deterioration thereby keeping optimum balance thus leading to the improvement of organizational performance since it leads to achievements of meeting customer demands.

A big percentage of 75% was recorded by participants who were in agreement that stock management enhances product availability thus leading to improvement in the organizational performance, 10% agreed and 10% were neutral and 5% disagreed... One of the inventory management ain is that the products are available whenever they are needed and they also improve the image of the company and more elements to organizational performance as said by Brownell (2005).

Timely delivery of good to customers is enhanced by the stock management. It is stated that organizations derive more performance when the firms are able to meet more demand of the customers in a short period of time since they are called fast food firms, thus customers will prefer staff which will deliver their products as soon as possible. This will lead to maximization of sales leading to a greater profit margin which will help in the organization performance. According to the fig, it shows that 50% of the participants strongly agree, 30% agree while 20% were neutral.

Fig 4.10 showed that the participant view on the relationship between stock management and organizational performance. It is significant to have new stock regularly so as to avoid out dated stocks thus lead to loyalty of the firm to the customers and also meeting their expectations. Henceforth lead to the improvement of organizational performance since flowness in organizational performance is considered to be a success in today's business environment thus lead to the improvement of service delivery through avoiding stock out.

4.9 Discussions

The researcher established that inventory managements can be of greater importance to the organization as it leads to improved performance of the firm. It is also indicated that proper inventory management leads to competitiveness of the firm through reduction of waste in production and minimization of stock outs.

Furthermore, the study also indicated that the drivers for holding stock are economics of scale, unexpected change in demand, expected change in price, supply interruptions and balance of demand and supply. From the findings it shows that flowness in inventory management lead to positive impact on the performance of the organization. This lead to the need of stores and procurement department to have knowledge and skills on how to handle the inventory of the firm hence that will result in improvement of organizational performance.

More so, the study also highlighted the inventory management techniques which include just in time, economic order quantity, pure periodic systems, warehouse management system and material requirement planning. From the researcher it shows that most the companies are using just in time in order not to hold capital in stock whereby there is a strong bond between the buyer and the supplier and there are also considered reliable to deliver goods whenever they are needed in order to avoid or reduce stock outs in the organization.

Moreover, the researcher also highlighted the challenges faced by the fast firms when establishing the inventory techniques. The challenges include lack of funding, lack of knowledge and skills, demand variability, inadequate sharing of information to just mention a few. The researcher landed to a result which indicated that challenges lead to lack of coordination in the firm especially when the management is also not committed in the task. Thus becomes a challenge in controlling inventory.

In addition, the study also established the relationship between inventory management and organizational performance which include product availability, reduced stock outs, timely delivery of goods and reduction of stock deterioration. This resulted in improvement of organizational performance as inventory will be kept at an optimum balance and if also always available meeting customer demands thereby improving image of the company.

4.10Summary

This chapter was focusing on the presentation and analysis of the data collected related to the effect of inventory management on organizational performance. Data was collected and presented using graphs and pie charts and the researcher also clearly explained the data presented on the graph and the chats. The interpretations and the analysis were also done to enable recommendations for the next chapter.

CHAPTER V

5.0 Introduction

This chapter starts by showing summary of key findings, conclusions and the recommendations made based on the findings of chapter four as well as techniques that can be used with the companies in the fast food industry so as to improve their organizational performance as well as cutting their operational costs.

5.1 Summary Findings

The study revealed that inventory management systems are the fundamental function of organizational performance since inventory management is considered to be determinant of performance in fast food firms since inventory management is considered to be a determinant of performance. Starting from Chapter I it clearly shows that the fast food firms are having a shortage of stock leading to the firm not being able to meet the customer demands thus minimizing the daily sales which has an effect on organizational performance.

Moving to Chapter II, study's objectives were to assess the effects of inventory management on organizational performance to determine the extent of application of inventory management systems and to identify challenges faced by firms when applying the systems.

The researcher also analysed Theoretical Framework and Empirical Evidence from other studies thereby providing gap analysis from the literature.

Research Methodology was done in Chapter III where data was combined from four fast food firms in Bindura. A sample size of 80 participants was chosen to represent the industry from a total of 170. Data which was collected through the use of interviews and questionnaires was in

the form of tables, pie charts and graphs. To identify the next participant, the researcher had to use the ball sampling technique and purposive sampling from qualified and more experienced staff in the field.

In Chapter IV, the research was divided into segments on the questionnaire which include inventory management practices used by fast food firms in Zimbabwe. Response rate from the participants and the effect of inventory management on organizational performance to just mention a few. 60 out of 80 participants completed their questionnaires and returned them on a response rate of 75%.

The participants included the stores department, supervisors, kitchen staff, cashiers, the procurement department since all the departments have an impact on organizational performance.

5.2 To Identify the Drivers for Fast Food Companies to Hold Inventory

1. Economies of scale are one of the reasons why fast food firms hold inventory so as to have discount benefits of buying in bulk.
2. Fast food firms hold inventories so as to prevent supply interruptions such as unavailability of products due to high demand sine all these firms have similar suppliers and also delays.
3. The study also revealed that fast food firms hold inventory so as to manage unexpected changes in prices due to instability of the economy where the currency rate is no longer stable and keeps inflating on a daily basis.
4. The study also showed how to manage unpredictable changes in demand as another reason why firms keep inventory.
5. The researcher also found out that there was need to balance the demand and supply

5.21 Identification of Inventory Management Techniques in fast food firms

1. In the four shops the researcher found out that the fast food firms were using Just in Time so as to avoid deterioration of stocks.

2. The Economic Order Quantity is also used as an inventory management technique in an effort to manage the demands of a customer, cost reduction on booth holding and acquiring them.

3. Another inventory management technique used is Material Requirement Planning so as to reduce inventory and maintaining schedules of product deliveries

4. Pure Periodic System is also used as an inventory management system helping the department to review the stocks periodically to check the frequency

5. Warehouse man agent is also used in the sector as a short term objective used to ensure that the products are available when needed.

5.22 Identification of the Challenges Faced by Fast Food Firms in Inventory Management

1. Lack of management is one if the challenges faced in the fast food industry since managers are less involve in the day to day running of the business.

2. The researcher also found out that lack of sharing information ids also a challenge hence controlling inventory will be difficult when the one who knows is not available

3. According to the study, demand variability is also a challenge faced by fast food firms thus affecting organizational performance through prize variations

4. The study also highlighted that lack of funding is also a challenge that affects the fast food industry since there is need of capital for both manual and computerized stock management

5. Lack of knowledge and skills was also found out by the researcher as a challenge of inventory management due to under qualified staff that the companies have to outsource individuals who will train their employees thereby becoming a liability to the companies

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5.23 Examining the Relationship between Inventory Management and Organizational Performance

1. The researcher found out that inventory management reduces stock deterioration thus keeping optimum balance leading to improvement in organizational performance since sales will be increasing due to the reduction of wastage

2. According to the findings the researcher revealed that product availability leads to improvement of organizational performance. Since the products are available whenever they are needed even when there is an increase in demand of products

3. The study also shows that the inventory management enhances timely delivery of goods to customers thus being able to derive organizational performance by meeting more demand of customers in short time

4. The researcher also found out that reduced stock out improves organizational performance since new stock regularly lead to loyalty of the firms to the customers as it will be able to meet their expectations leading to a flawless operation.

5.3 Conclusion

The summary of the findings in Chapter IV lead to the conclusions below.

5.31 Drivers for Holding Inventory in Fast Food Firms

From the finding of drivers for holding stock, it is concluded that most of the participants were strongly in agreement with the drivers which include economies of scale, unexpected change in demand, supply interruptions, expected change in price and balancing demand and supply. There were also a good percentage of the

participants agreeing with the drivers for holding stock. However there were also participants who were not aware if the concept.

5.32 Identify Management techniques that are used in fast food sectors

From the Data collected it can be concluded that Just in Time has the highest percentage which means it has been understood with all firms whilst material requirement planning is being used and understood by few participants

5.33 Challenges that are faced by Fast Food Companies in Inventory Management

The researcher highlighted that from the findings, fast food firms are facing challenges in stock management. This has been indicated with a large number of participants who strongly agree on the challenges with inadequate sharing of information as the main challenge.

5.34 Relationship between Inventory Management and Organizational Performance

It is considered that there is a strong relationship between inventory management and organizational performance, which is evident from the results the researcher collected from the participants whereby most of the participants strongly agree to the variables sustaining the relationship and also with a good number agreeing to the strong band

5.4 Recommendations

According to the researcher, fast food firms in Bindura were recommended to form a long term relationship with both suppliers and customers as well. This can be done through supplier appreciation since it is a key element of long term relationship. There is also need of hiring qualified staff so as to avoid external help with reward of payment or they can provide learning platforms or opportunities to study more in tertiary institutes so that education is provided in inventory management. Henceforth, improvement on abilities, skills and knowledge of employees lead to reduction of company costs. There is also need to embrace information technology in these fast food companies. This will improve the organizational performance of the firm by setting stock control level and also automation calculation of inventory to be held and release at a given period.

5.5 Areas of further research

Since the study was carried to evaluate the effects of inventory management on organizational performance in fast food firms in Bindura, it is also that the results which were found by the researcher may not match with the challenges of other sectors' inventory management. The researcher recommends that the same research can be conducted in other sectors such as manufacturing sectors, health sectors and retail sectors, henceforth, it can be conducted looking at provincial sector, national level not only a small town. As type of stock management systems differ depending on operations on the sector.

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APPENDIX

Application form

My name is Natash Matare and I am a student at Bindura University of Science Education and currently studying for a Bachelor of Commerce Honours Degree in Purchasing and Supply. I am conducting a study titled "**The Effects of Inventory Management on the Organizational Performance of the fast food firms in Bindura town.**" Therefore, the researcher used this questionnaire to find the best inventory management strategies used by restaurants in the fast food sector in Bindura.

We really hope for your help in filling out the attached questionnaire. All your responses wilcable l be treated confidentially and the results will only be used for this research. We really appreciate your cooperation.

Student Name: Natash Matare   **Supervisor: Dr. S. Mutsvangwa**

Signature ………………….   **Signature …………………..**

Date ……………………… ..   **Date ……………………… ...**

Instructions to the respondent

a. Please answer the following questions by placing a check mark () in the appropriate box for each next question.
b. In response to some of the questions where indicated, more than one check mark may be given.
c. Please feel free to provide additional information or a detailed description of your answer to the questions by commenting in the space below on some of the questions that make up this questionnaire.

SECTION A: PERSONAL INFORMATION OF THE RESPONDENTS

1. Female ☐ Man ☐

2. Age ………… 18-30 ☐ 30–35 ☐ 40+ ☐

3. The level of education has been reached ……. normal level ☐ advanced level ☐

Diploma ☐ degree ☐ Masters ☐ PhD ☐

If there are other options, please indicate

…………………………………………………………….

SECTION B

1. The following is the importance of inventory for restaurants in the fast food sector in Zimbabwe. To what extent do you agree?

To the respondents: kindly tick in an appropriate box

Stock value		Agree	Neutral	Disagree	Strongly disagree
Reduce costs					
Matching supply and demand					
Economies of scale					
Balancing supply and demand					
Buffer interface					

Unless otherwise stated …………………………………………………………………… ...

2. The following are the inventory management challenges faced by organizations in the fast food sector in Zimbabwe. Do you agree and to what extent?

Challenges	I completely agree	Agree	Neutral	Disagree	Strongly disagree
Lack of expertise					
Bad infrastructure					
Inefficient processes					
Poor storage and handling equipment					
supply chain complexity					

If otherwise, please specify …………………………………………………………………….

3. Which of the following inventory management strategies does your organization use?

Inventory management strategies	I completely agree	Agree	Neutral	Disagree	Strongly disagree
Pure periodic system					
EOQ					
JIT					

MRP					

If otherwise, please specify ………………………………………………………………….

**Interview Guide.**

1. How long have you been with your organization?

2. Explain what do you understand about inventory management?

3. What are the policies that govern inventory management for your organization?

4. How would you handle on employee who violates company policy?

5. What inventory management strategies does your organization use?

6. Can you explain your method for ensuring all inventory meet company standards?

7. In your opinion, how important is inventory for organizations in the fast food sector?

8. How is the procurement department notified when inventory levels sink below threshold levels?

9. In your opinion, what are the perceived problems related to inventory management in your organization?

10. What additional information can you provide about this study?

THANK YOU FOR YOUR COOPERATION

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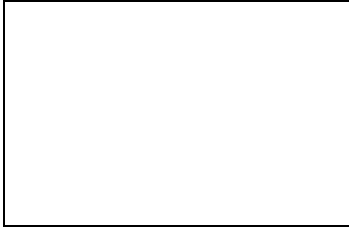
The End**, thank you.**

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