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Abstract

Procurement is a critical management function for most companies' large companies, medium-sized companies, and small companies. Inventories are important to the successful operations of manufacturing and processing industries. However, procurement function at NCPB do not control their inventories properly hence resulting in under stocking and causing the organizations to stay off production, thereby resulting to organizational ineffectiveness. This study sought to determine the influence of vendor managed inventory on procurement function of NCPB in Uasin Gishu County. The study adopted stratified sampling technique in establishing the sample for the study. Yamane's sample determination formula. Questionnaires was used by the study to collect the data. The semi structured questionnaire was self-administered in order to increase response rate. The study analyzed the results using the SPSS software version 24. Regression analysis was used to develop regression model expressing the hypothesized relationship between variables under study. The researcher regressed the variables at 5% significance level to determine the strength of the variables and direction of their relationship. The study found that vendor managed inventory has a positive and statistically significant effect on the procurement function at NCPB in Uasin Gishu county ($\beta = 0.327$; $p<0.05$). The study concluded that inventory management needs to be embraced to help the management team appreciates the direct impact of these initiatives. The study recommended that adoption of flexible inventory management practices through appropriate

research will help efficiently and effectively meet the business diverse yet drastic changing needs as well as address challenges arising from a dynamic global business environment. The study draws the findings in relation to the topic under the study. However, procurement is a function that ensures the overall success of the organization.

Keywords: *Vendor Managed Inventory, Procurement*

1.0 Introduction

Procurement is a critical management function for most companies' large companies, medium-sized companies, and small companies. Effective inventory flow management in supply chains is one of the key factors for success. Inventory represents an important decision variable at all stages of product manufacturing, distribution and sales, in addition to being a major portion of total current assets of many organizations (Kitheka, 2010). Inventory often represents as much as 40% of total capital of industrial organizations (Lyson, 2012,). It many represent 33% of company assets and as much as 90% of working capital, (Olivara, 2010). Since inventory constitutes a major segment of total investment, it is crucial that good inventory management be practiced to ensure organizational growth and profitability.

Vendor Managed Inventory (VMI) is an inbound logistics strategy based on the concept that the supplier should be in charge of management customer's inventories by using the demand information provided by the customer (Hall, 2001). VMI is also known as consignment inventory on other occasions, has been widely used in various industries (Yan Dong, 2002). The retailer or firm provides the vendor with access to its real-time inventory level, in which this partnership program the former may set certain service-level or shelf-space requirements which are then taken into consideration by the vendor (Sari, 2007). Typical information sharing practices include sharing of point of sales date, demand, sales orders, inventory status, order fulfillment status and production schedules (Nachiappan, 2005).

Material Requirements Planning (MRP) is a production planning and inventory control system which have three main functions; the system helps ensure that the appropriate materials are available for production and necessary products are available for customers to avoid shortage, reduces waste by maintaining only the lowest possible materials and product levels in stock (Rouse, 2014). MRP implies that for each end item a master production schedule is created, specifying delivery times and order quantities from a forecasted demand and when the inventory position of the item (Segerstedt, 2006). With the help of MRP system, the company is able the estimate better in delivering products to customers, which will enhance company performance in long-term.

ERP systems are designed to enhance organization's competitiveness by upgrading an organization's ability to generate timely and accurate information throughout the enterprise and its supply chain. A successful ERP system implementation can shorten production cycles, increases accuracy of demand for materials management sourcing and leads to inventory reductionbecause of material management. Moreover, it can be used as a primary tool for re-engineering. However various studies have revealed that not all ERP implementations are successful. Firms with longer experience of the ERP system have already been able to take more advantage of the new system. It is also concluded that employees do not always act in a proper way with the new ERP system, because they have only limited knowledge of the new system.

Just-in-time (JIT) was originally introduced by the Japanese back in the 1930s as one of the newest approaches in that era but was quickly adapted and practiced by organizations all over the world. JIT has been developed, because, beyond the act of an inventory control method, and it is a philosophy, the philosophy used in the production of, and seeks to remove all the waste of resources (Rahmani, 2014). The achievement of JIT main goals brings key point benefits, which are an elimination of inventories will enable the organization to control the ordering and delivering a process for meeting the production orders and organization's flexibility, and eliminating of inventories results to very low inventory carrying costs for the organization (Nemtajela, 2016). Companies applying JIT production system aim at minimizing all inventory levels and delivering the goods and services to customers on time.

1.1 Statement of Problem

Procurement is a vital function mainly in manufacturing concerns. Procurement helps ensure enough funds are committed to inventories as to ensure smooth flow of production and to meet consumer demand. However, procurement function at NCPB do not control their inventories properly hence resulting in under stocking and causing the organizations to stay off production, thereby resulting to organizational ineffectiveness. The need to collect food when it is readily available and then store it for times of shortage is perhaps the fundamental stock holding problem, which was tackled long ago by man. Nowadays, we usually think of stocks being held by organizations to allow efficient and continuous operations. Managers are aware of the vital roles inventory plays in the activities of organizations. In most organizations, direct materials represent up to 50% of the total product cost, as a result of the money entrusted on inventory, thereby affecting the profitability of the organization. This therefore creates relationship problems between inventory management and organizational productivity, profitability and effectiveness. Inventory management, therefore, plays a crucial role in balancing the benefits and disadvantages associated with holding inventory. Efficient and effective inventory management goes a long way in successful running and survival of a business firm, when organizations fail to manage their inventory effectively, they are bound to experience, stock out, the decline in productivity and profitability, customer dissatisfaction. Thus, the study sought to investigate the Influence of Vendor Managed Inventory on Procurement Function of NCPB in Uasin Gishu County.

2.0 Literature Review

2.1 The Influence of Vendor Managed Inventory on Procurement Function of NCPB in Uasin Gishu County

Inventory management practices in Britain has been described as the system adopted by a firm to manage the investment made in a stock (Stevenson, 2010). The inventory management practices are concerned with the recording as well as monitoring of level of inventory, projecting demand in the future in addition to making decision when to order and how it should be ordered (Adeyemi and Salami, 2010). According to Miller (2010), inventory management is associated with all activities established to guarantee that customers access a specific product or service. It enables the coordination of the activities purchasing, manufacturing along with distribution in order to meet the marketing needs of ensuring that products are availed to a consumer.

In china, inventory control approach is based on the doctrine that a small portion of the items might characteristically represent the bulk of the value of money of the total inventory utilized in the process of production, whilst a comparative number of items can be from a small fraction of the

financial value of stores (Flores & Clay, 2012). ABC analysis is sound recognized categorization technique as far as the pareto principle is concerned, whose main purpose is for establishing the items that should be prioritized in the management of an inventory (Ramanathan, 2016). ABC analysis is a method for prioritizing inventories. Inventories are classified into 3 sub-classes, including A, B and C.

The Japanese Indicators of effective operational performance include: enhanced financial performance, lead time performance, enhanced responsiveness, client unwaveringness, advancement, quality items, and decrease in abundance stock levels and upgrades in item/prepare outline (Johnson, 2013). Assessment of operational performance of associations ought to use both budgetary and non-monetary measures, albeit most associations have not made utilization of an adjusted system for money related and non-monetary indicators (Kaplan & Norton, 2016) distinguished request lead time as the most vital operational measure. Mark (2016) characterized request lead time as the time that breaches between the receipt of a request and shipment of the item to the client. Mark (2016) distinguished other performance measures as usefulness of request era, arranging, generation booking, inventory management and quality.

In North America, the main aim of accumulating physical supply inventory in organization is to realize purchase economies (Uduak, 2015). Demand management facilitate demand forecasts based on sales history, scheduled orders, scheduled marketing activities and customer information (Kimuma, 2011). The forecast incorporate feedback from customer to integrate the influence of combined demand generation activities i.e. advertising. Demand forecasting aim to increase customer satisfaction, reduce stock out, scheduling production, lowering safety stock requirements, managing shipping, improving pricing and promotion management. Transportation focuses in logistics of physical movement inventory and network. A direct relationship exists between transportation and level of inventory and number of warehouse required (Mahayima, 2015). Customer service depends on decision inventory, transportation and warehousing. Logistics decisions about availability and inventory lead time are critical to customer service.

In Egypt, the stock-outs of essential medicines at the clinic level are an important and widely acknowledged public health problem in sub-Saharan Africa (SSA) with a recognized negative impact on morbidity, mortality and disease epidemiology (Eroglu, *et al.,* 2011). Many possible causes have been cited, including procurement financing and processes, supply capacity, communication and road infrastructure, distribution resources and planning methods, personnel staffing and training. Other names for just in time system is Zero stock inventory and production. Just in Time is an inventory management practices with the objective of maintaining just sufficient material at the right place and at the right time in order to make first the right quantities of inventories (Global, 2016).

This concept of inventory management in South Africa was established by manufacturing businesses in which inventories are acquired only when demanded in a business for the purpose of production and this focused on enhancing the return on investment of a firm through the reduction of in-process inventory and its associated costs (Dess & Robinson, 2014). In this system, the supplier has the responsibility of delivering the workings and part to the assembly line "Just in Time" to be assembled. For the just in time method to work successfully the quality of the parts must be very high because defective materials could up halt the operations of the assembly line, there must be dependable relationships and smooth co-operation with suppliers (Temeng, 2010).

Just in time inventory management systems in Uganda helps in reducing inventory costs by avoiding carriages of excess inventories and mishandling of raw materials. According to Kortz (2013), Just in time purchasing recognizes high costs associated with holding high inventory level and as such it has become important in most organizations to order inventory just in time of production so as to cut costs of holding inventory like storage lighting, insurance and staffing (Dimitrios, 2008). As to the knowledge of the researcher, in Uganda the inventory-related aspects of SMEs have not yet attracted the attention of researchers and policy makers. The basic objective of inventory management is to achieve a balance between the low inventory and high return on investment (ROI). Inventory levels have been seen as one of the most interesting areas for improvement in organization materials management The SMEs, specially manufacturing enterprises, contribute significantly to the economy in several ways.

In Ethiopia, MSE sector is the second largest employment-generating sector following agriculture. The contribution of MSEs is more than double of the manufacturing sector. However, these enterprises are facing both financial and non-financial problems. Some studies show a large number of small enterprises fail because of non-financial reasons, (Lyson, 2012). Furthermore, study by Tushabomwe Kazooba (2016) revealed that poor record keeping and lack of basic business management experience and skills are major contributors to failure of small business. Micro and small scale manufacturing industries are in most cases faced with the problems of inadequate inventory of raw materials and spare parts, (KMPG, 2016). These shortages often lead to breaks in production schedule, machine breakdown, and low capacity utilization and thus constituted a barrier to their effective growth. Taking this scenario into consideration, this paper therefore examined the impact of inventory management practice.

Manufacturing organizations in Kenya have ignored the potential savings from strategic inventory management, treating inventory as necessary evil and not as an asset requiring management (Kitheka, 2010). Salawati (2012) posit that in the 1980.s inventories of raw materials, work-in-progress components and finished goods were kept as a buffer against the possibility of running out of needed items. However, large buffer inventories consume valuable resources and generate hidden costs. Nyabwanga (2012) also observed that too much inventory consumes physical space, creates a financial burden, and increases the possibility of damage, spoilage and loss. On the other hand, too little inventory often disrupts business operations leading to poor performance among manufacturing firms.

Kenya manufacturing firms face problems of fluctuating inventories, inaccurate forecast, poor responsiveness to customer's needs and lack of proper ICT application systems resulting to poor performance (Mathuva, 2013). This was confirmed by Awino (2012) who observed that New Kenya Cooperative Creameries (KCC) faced problems of: erratic deliveries, reduced consumer effective demand and high cost of production due to poor strategic inventory management techniques leading to declined performance. Kenya Tea Development Agency managed factories faced problems of fluctuating inventory levels, poor demand management and lack of proper inventory control systems due to poor strategic inventory management techniques leading to poor performance on Kenyan manufacturing firms are facing competition in the current markets (Ondiek, 2012).

Govindan (2013) conducted a study on the vendor-managed inventory: a review based on dimensions. The study used structured questionnaire containing open and closed ended questions. The study highlighted the significance of firms maintaining their inventory at an optimum level by

assessing the relation between corporate profitability and working capital management, and emphasized that its mismanagement would result in extreme tying up of money at the expense of cost-effective operations. The study used purposive sampling to establishing. The study found out that firm's inventory management practices played a major role in the income performance. The study was conducted only on electronic industries.

Hameri, Borg, and Eloranta (2014) researched on vendor-managed inventory in a global maritime supply chain–The case of a Brazilian pulp producer. Their study aimed at assessing the impact of proper inventory management on organizational performances in Yemenite, Hardis and Dromedas. Descriptive research method, especially survey, and case study were employed in carrying out the study. The population of the study is six hundred and fifty-eight (658). A sample size of two hundred and forty-eight (248), was derived using the Taro Yamane formula for sample size determination from a finite population. Data were generated using questionnaire, oral interviews, observations, books, journals and the internet. The study found out that proper inventory turnover leads to effectiveness of the organization. The study was done in a beverage company only.

Irungu and Wanjau (2011) conducted a study on the effectiveness of vendor managed inventory systems in retail supermarkets in Kenya. The study used semi structured questionnaire. On the other hand, the inferential statistics entailed the ANOVA test and correlation analysis to predict the existing relationship between the dependent and the independent variables in the study. The study recommended that the management can create value for organizations by ensuring inventories are maintained at optimal levels. The Findings indicate that there is a significant relationship between good inventory management and organizational effectiveness. Inventory management has a significant effect on organizational productivity. There is a highly positive correlation between good inventory management and organizational profitability.

Kariuki and Noor (2015) did study on the role of vendor managed inventory systems Integration (VMIS). A descriptive survey design was adopted as the major research design. All the supermarkets in Mombasa County constituted the study target population. In this regard, both simple and stratified random sampling techniques were used to arrive at the study sample population. Questionnaires were the major tool of data collection in the study and constituted of both closed-ended and open-ended questions. In this case, both qualitative and quantitative data was collected in the study. The quantitative data collected was analyzed for both inferential and descriptive statistics by use of the SPSS Version 23 software. The qualitative data from the open-ended questions was organized into sub-topics and then re-coded back into the SPSS Software for more descriptive statistics. Statistical tables were used to present the study results.

2.1 Value Chain Theory

The theory of value chain was founded by Michael Porter in 1985 (Christopher, 1992). To better understand the activities through which a firm develops a competitive advantage and creates shareholder value, it is useful to separate the business system into a series of value-generating activities referred to as the value chain. In his 1985 book Competitive Advantage, Michael Porter introduced a generic value chain model that comprises a sequence of activities found to be common to a wide range of firms (Christopher, 1992). A value chain disaggregates a firm into its strategically relevant activities in order to understand the behavior of costs and the existing and potential source of differentiation. Porter's value chain consists of a set of activities that are performed to design, produce and market, deliver and support its product.

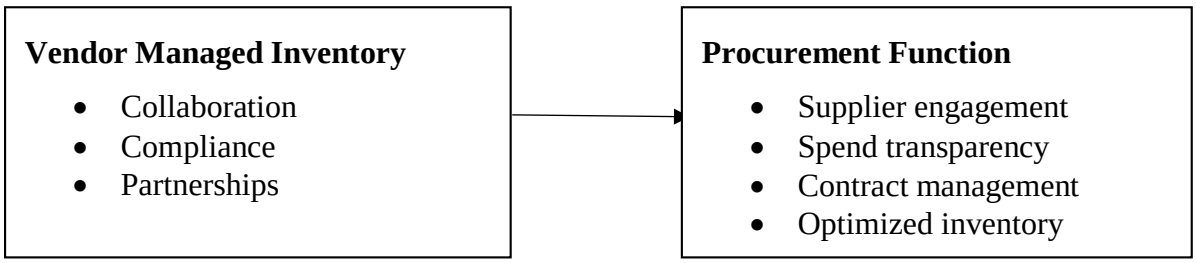
These cross-value chain strategies established a principle that competitive advantage can be reached only by managing the entire value chain as a whole including all involved functions. Porter's value chain is one basis for the development of the supply chain. The term supply chain was created by consultant Keith Oliver in 1982. Compared to the company-internal focus of Porter's value chain, the supply chain extends the scope towards intra-company material and information flows from raw materials to the end consumer. A supply chain is a network of organizations that are involved through upstream and downstream linkages in different processes and activities that product value in the form of products and services in the hand of the ultimate consumer (Christopher, 1992).

Because engaging vendors is employed to some degree in every value creating activity, changes in technology can impact competitive advantage by incrementally changing the activities themselves or by making possible new configurations of the value chain (Simichi-Levi, 2000). In an increasingly complex world of globalized trade with extended lead times and greater risk, the integration in the supply chain will require supporting information systems and technology. The growth of the internet and technologies which enable real-time information sharing such as inter-connected ERP systems, web-based EDI, electronic portals and online order processing systems, can potentially support the building of closer links with customers, suppliers and third-party vendors such as logistics service providers. Hence whilst this new technology offers much promise, examples of its success in transforming supply chain practice are still relatively few in number.

Effective supply chain management requires information to be shared and transmitted beyond the boundaries of the organization. These information systems, expanding the availability and transfer of information between various trading partners, are called inter-organizational information systems. For this study the Value chain theory implies that those firms that adopt E-procurement are able to gain from the growth of the internet and technologies which enable real-time information sharing such as inter-connected ERP systems, web-based EDI, electronic portals between buyers and suppliers and online order processing systems which supports the building of closer links with customers, suppliers and third-party vendors such as logistics service providers.

2.2 Conceptual Framework

Conceptual framework as a network, or "a plane," of interlinked concepts that together provide a comprehensive understanding of a phenomenon or phenomena" The conceptual framework is a set of broad ideas used to explain the relationship between the independent variables (factors) and the dependent variables (outcome) (Oballah, Waiganjo & Wachiuri, 2015). Conceptual framework provides the link between the research title, the objectives, the study methodology andthe literature review (Talavera, 2013). Figure 1 highlights the relationship between the independent variable (inventory management practices) and dependent variable (Procurement function).



Independent Variables **Dependent Variable**

Figure 1: Conceptual Framework

3.0 Methodology

3.1 Research Design

Research design is the arrangement of conditions for collection and analysis of data in a manner that aims to mix relevance to the research purpose with economy in the procedure. This study adopted census approach. Census survey design will be used when the total population for the study is less than 150 (Cooper & Schindler, 2014). This method is appropriate where the study sought to describe the characteristics of certain groups, estimate the proportion of respondents who have certain characteristics and make predictions (Pallant, 2013). However, the appropriatemethod for the study was census approach.

3.2 Target Population

Target population refers to a group of individuals, objects or items from which samples are taken for measurement (Field, 2013). The target population is also referred to as the unit of observation which in this case is the staff from the NCPB in Uasin Gishu County, Eldoret. While the respondents who are also referred to as the unit of analysis, comprises of the managers, stores staff, Procurement staff, operations and logistics staff and the accounts staff. The accessible population for the current study was 125 employees of NCPB in Uasin Gishu County, Kenya.

Table 1: Target Population

Employees	Accessible Population
Branch Managers	10
Stores Personnel	45
Procurement staff	35
Operations & Logistics staff	35
Total	**125**

3.3 Sampling Frame

The sampling frame is composed of NCPB firms in Uasin Gishu County. The rationale behind restricting the population to the aforementioned group is because most main grain producing areas are in rift valley. Further, NCPB infrastructure is more developed in rift valley more than any other part of Kenya making it ideal for farming. However, the researcher hoped that the findings from this study can be generalized and replicated in other parts of Kenya and indeed the rest of the world.

3.4 Sample Size and Sampling Technique

The researcher used Yamane (1967) formula in order to determine the size of the sample for the current study. Desired sample size was a function of the target population hence the formula that was used to generate sample size as provided by Taro Yamane (1967) was as follows:

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

Where:

n represents sample size

N represents target population

e represents maximum acceptable margin of error (5%)

Therefore, the desired sample size given for the current study was as follows;

$$n = \frac{125}{1 + 125\ (0.05)^2}$$

= 96 Respondents

Table 2: Sample Frame

Employees	Accessible Population	Sample Size
Branch Managers	10	8
Stores Personnel	40	31
Procurement staff	30	23
Operations & Logistics	45	34
Total	**125**	**96**

3.5 Research Instrument

Data collection is the method of gathering and measuring information on variables of interest, in an established systematic fashion that enables one to answer stated research questions, test hypotheses and evaluate outcomes (Field, 2013). The data collection component puts emphasis on ensuring accurate and honest collection of data. Pallant (2013) posits that data collection instruments are means through which primary data are collected in social research. The current study used a self-administered method with a semi structured questionnaire to obtain primary data. Questionnaires contained open and close ended questions which was systematically answered by the respondents on their own. The questions were prepared by the research using following the five-point Likert sale. The choice of the questionnaire by the researcher was because it is easy to administer, less costly and less time consuming.

3.6 Data Collection Procedure

The current study relied on the primary data. The primary data was collected through questionnaires self-administered to the respondents from the branch managers, store staff, the procurement staff, operations and logistics staff. The researcher assured the respondents of high degree of confidentiality and anonymity in the exercise. The choice of self-administered questionnaire informed that it gives maximum responses since it gives respondents ample time to ask questions in regard to clarity when filling the questionnaires. The reason why the questionnaires were self-administered and collected in person was because the mail survey has been criticized for nonresponse bias.

3.7 Data Processing and Analysis

The study used the Statistical Package for Social Sciences software (SPSS) version 24 for data entry, cleaning, analysis. The study used a 5-point Likert scale method of summing the ratings where respondents will be consistently asked to record their opinion ranging from strongly agree to strongly disagree. Strongly agree represented 5 while strongly disagree represented 1 on the Likert scale. According to Sekaran and Bougie (2010) Likert scale is essentially an interval scale designed to examine how strongly subjects agree or disagree with a statement. This scale was suitable for the study as it provided an interval or ratio-based scale. This study used regression analysis between independent and dependent variables. The equation adopted by the study;

$$\mathbf{Y = \beta_0 + \beta_1 X_1 + \varepsilon} \quad \text{.....Equation 3}$$

Where; Y represents Procurement Function

$\boldsymbol{\beta_0}$ represents a constant

$\boldsymbol{\beta_1}$, represents the regression coefficients of independent variables

$\boldsymbol{\varepsilon}$ represents an error term

The study utilized t-statistics to test whether the hypothesized model is significant at 95% significance level.

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4.0 Research Findings and Discussions

4.1 Vendor Managed Inventory and Procurement Function

The respondents were asked to what extent vendor managed inventory influences procurement function and results is as shown in Table 4.5.

Table 3: Descriptive Statistics for Vendor Managed Inventory

Statements		SA	A	N	D	SD	Min	Max	M	St.d
Collaboration improves	F	43	38	8	1	6	1	5	4.16	1.06
performance of procurement	%	44.8	39.6	8.3	1.0	6.3				
Compliance by vendors leads	F	46	37	6	1	6	1	5	4.20	1.06
to better procurement	%	47.9	38.5	6.3	1.0	6.3				
Vendors-buyers partnership	F	54	29	4	3	6	1	5	4.27	1.11
enhances performance	%	56.3	30.2	4.2	3.1	6.3				
Valid N=96										

The findings show that majority of the respondents 81(84.4%) agreed that collaboration of suppliers/vendors improves the performance of the procurement. On whether collaboration improves the procurement function only 7(7.3%) of the respondents disagreed (M=4.16, Std=1.06). Concerning the compliance by venrs leads to better procurement, majority of the respondents 83(86.4%) agreed with the statement, while 7(7.3%) of the same respondents disagreed with the same statement (M=4.20, Std=1.06). Lastly, majority of the respondents 83(84.4%) agreed that vendors-buyers partnership enhances procurement function, while only 9(9.4%) of the disagreed (M=4.27, Std=1.11). The findings of this study are in line with the conclusions made by Onyango (2013) who in his findings indicate that e inventory management system, supplier relation affects the supply chain effectiveness in the manufacturing sector. This results therefore imply that engaging vendors/suppliers enhances the performance of the procuring originations.

4.2 Materials Requirement Planning have No Significant Influence on Procurement Function of NCPB in Uasin Gishu County

The null hypothesis assumes that material requirement planning does not significantly influence on procurement function of NCPB in Uasin Gishu County. The results show that material requirement planning is a significant predictor on the procurement function (β=0.200; $p<0.05$). The β factor 0.200 indicates that green procurement affects the environmental substantiality by 20.0%. The p value is less than 0.05 indicates the statistically significant effect between material requirement planning and the procurement function. Hence, the research hypothesis that material requirement planning have no significant influence on procurement function was rejected at 5% significance level. The findings strongly agreed with the findings Muhayimana (2015) who found

out that inventory management practices have a significant impact on firm's performance, especially on cost reduction. The research also established that inventory management enable firms to meet the demands of customers more effectively as instances of unevenness in regards to meeting customers' demand is reduced.

4.3 Summary for Hypothesis Testing

Hypotheses	**β and P values**	**Decision**
Ho_1: Vendor managed inventory have no significant influence on procurement function of NCPB in Uasin Gishu County.	$\beta=0.327$; $P<0.05$	Reject Ho_1

5.1 Conclusion from Study Findings

The study concluded that vendor managed inventory and material requirement planning have positive effect on procurement function. Effective inventory management was seen by the big number of respondents that, effective inventory management is one of the key factors in enabling successful managing application of ERP system in NCPB. In this regard the respondents indicated that by practicing effective inventory management, the employees and other key participants enables them to have an understanding of the need to have optimum inventory level with a view to reducing operating cost. High customer service is maintained through improving the quality of the products. This will make it easy for the management of application of ERP system to take place.

5.2 Recommendations of the Study

Inventory management needs to be embraced to help the management team appreciates the direct impact of these initiatives. Adoption of flexible inventory management practices through appropriate research will help efficiently and effectively meet the business diverse yet drastic changing needs as well as address challenges arising from a dynamic global business environment. Management should embrace both qualitative and quantitative aspects in their decision making and more sustainable inventory management practices and strategies integration across the group will yield synergies. The theory as captured at the literature review stage is such that the organization that adopt sound inventory management practices outperform those that do not and indeed the gap keep widening as such organizations continue to innovatively implore fresh inventory management practices targeting further and faster creation of value given immense competition and pressure from the stake holders such that sustainability of those that do not embrace such best inventory management practices and strategies is at stake.

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