

**SUPPLY CHAIN MANAGEMENT AND ORGANIZATIONAL PERFORMANCE.**

**A CASE STUDY OF CROWN BEVERAGES UGANDA LIMITED**

**BY**

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### DECLARATION

I **Nakusi Brenda** declare that this is my original work and to the best of my knowledge, it has never been submitted to any University or institution of learning for a degree award.

Signature .....  ..... Date 27<sup>th</sup> / 06 / 2016 .....

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### APPROVAL

This research report has been submitted for examination with my approval as a university supervisor.

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27<sup>th</sup> / 06 / 2016

## **DEDICATION**

I have dedicated this work to my beloved parents Mr. Wamanga James and Mrs. Wamanga Robinah and my aunt Nakalema Lillian, my friends Gary Vowels for their endless support both financially and morally ever since my childhood.

## ACKNOWLEDGEMENT

I acknowledge that my success is due to the Almighty God who has enabled me to produce this work and the entire course at large for His mercy and good will.

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## ABSTRACT

The purpose of this study was to establish the relationship between supply chain management and organizational performance a case study of crown beverages, Uganda limited. The study was guided by three research objectives specifically to examine the relationship between supply chain management and organizational performance, assess the impacts of supply chain management on organizational performance and find out the different supply chain management practices used by Crown beverages Uganda limited, the study was revealed to be more significant to crown beverage bosses. The study involved secondary sources of data where the research related his study to different author's work and authentication and afterwards she made conclusions. The study used a case study design to get an estimation of the respondents' views in regard to the objectives of the study. The target population was clients, internal and external employees and employers of crown beverages Uganda limited. The study therefore used a sample of 110 respondents. It employed a simple random sampling to avoid bias in data presentation. This study also used both primary and secondary sources which all involved data from the field and literature already written by other authors. Due to limited time the researcher only used questionnaires (respondent's fill-in what they knew about the topic in regard with the formulated questions). After data collection, it was ethically analyzed by use of frequency tables and percentages. The findings revealed that male participated more in the study with a percentage of 62.5% and 37.5% for female respectively, respondents aged 19-30 years participated more than other age groups with a percentage of 50%, most of the respondents were degree holders with a 55% response yet a high percentage of them had served crown beverages for more than 3 years making 37.5%. The study findings depicted that people find the use of supply chain management easy with a percentage of 50% and it was revealed that there is a strong relationship between supply chain management and organizational performance since it has increased international and national competition with a percentage of 53.7%. Objective two analyzed that supply chain management creates corporate image, reliability and good quality produce. The study concluded that crown beverages Uganda limited has achieved much through use of supply chain management however more sensitization on proper usage more especially to employees.

## CHAPTER ONE

### 1.0 Introduction

This chapter introduced the introduction, background to the study, problem statement, objectives of the study, research questions, scope of the study and the conceptual framework.

### 1.1 Background to the study

Supply chain management (SCM) is the management of the flow of goods and services. It includes the movement and storage of raw materials, work-in-process inventory and finished goods from point of origin to point of consumption. Interconnected or interlinked networks, channels and node businesses are involved in the provision of products and services required by end customers in a supply chain. Supply chain management has been defined as the "design, planning, execution, control and monitoring of supply chain activities with the objective of creating net value, building a competitive infrastructure, leveraging worldwide logistics, synchronizing supply with demand and measuring performance globally, Balsmeier et al (2006).

Era of supply chain management was highlighted with the development of electronic data interchange (EDI) systems in the 1960s and developed through the 1990s by the introduction of enterprise resource planning (ERP) systems. This era has continued to develop into the 21<sup>st</sup> century with the expansion of Internet-based collaborative systems. This era of supply chain evolution is characterized by both increasing value added and cost reductions through integration. A supply chain can be classified as a stage 1, 2 or 3 networks. In a stage 1-type supply chain, systems such as production, storage, distribution and material control are not linked and are independent of each other. In a stage 2 supply chains are integrated under one plan and it is ERP enabled. A stage 3 supply chain is one that achieves vertical integration with upstream suppliers and downstream customers, Beaumont, (2005).

Globally, the 1980s marked the beginning of a sea-change in logistics in the history of supply chain management. The emergence of personal computers in the early 1980s provided tremendously better computer access to planners and a new graphical environment for planning. This spawned a flood of new technology including flexible spreadsheets and map-based interfaces which enabled huge improvements in logistics planning and execution technology.

The Production and Distribution Research Center was the early innovation leader in combining map interfaces with optimization models for supply chain design and distribution planning. The Material Handling Research Center provided leadership in developing new control technology for material handling automation. The Computational Optimization Center developed new large scale optimization algorithms that enabled solution of previously intractable airline scheduling problems. Much of the methodology developed in these centers rapidly began to find its way into commercial technology, Flynn, (2009).

Perhaps the most important trend for logistics in the 1980s was that it had begun to get tremendous recognition in industry as being very expensive, very important and very complex. Company executives became aware of logistics as an area where they had the opportunity to significantly improve the bottom line if they were willing to invest in trained professionals and new technology. In 1985, the National Council of Physical Distribution Management changed its name to the Council of Logistics Management (CLM). The reason given for the name change by the new CLM was “to reflect the evolving discipline that included the integration of inbound, outbound and reverse flows of products, services and related information.” Prior to this, logistics was a term that had been used almost exclusively to describe the support of military movements, Bozarth, (2009).

Since the 1980s, computer technology has advanced at such a phenomenal rate that it is currently far ahead of the ability of the supply and logistics field to adequately utilize the new technologies. Given the extent of Internet usage today, it is hard to believe that Microsoft’s Internet Explorer was released in 1995. Hence currently the communication capabilities have fundamentally changed the way we think about communications and information sharing. However, supply chain and logistics planning is still primarily based on the distributed models that came as the result of personal computers. There is no question that academic research can enable a new generation of supply chain and logistics planning technology based on centralized planning with distributed collaboration. These technology advances can provide tremendous value in addressing traditional supply chain and logistics areas such as warehousing and distribution, transportation and manufacturing logistics, Kaynak, (2007).

SCM practices impact not only overall organizational performance but also competitive advantage of an organization. Looking at crown beverages, they are expected to improve its competitive advantage through price/cost, quality, delivery dependability, time to market and product innovation. Prior studies have indicated that the various components of SCM practices (such as strategic supplier partnership) have an impact on various aspects of competitive advantage (such as price/cost). For example, strategic supplier partnership at crown beverages Uganda limited can improve supplier performance, reduce time to market and increase the level of customer responsiveness and satisfaction, Pearson, (2009).

Information sharing leads to high levels of supply chain integration by enabling organizations to make dependable delivery and introduce products to the market quickly. Information sharing and information quality contribute positively to customer satisfaction and partnership quality. Postponement strategy not only increases the flexibility in the supply chain, but also balances global efficiency and customer responsiveness. Hence it was because of the above mentioned issues that the researcher got morale of finding out how supply chain management has improved performance of crown beverages, Smeltzer, (2009).

## **1.2 Statement of the problem**

Manufacturers are facing challenges from both local and international competitors in the market place. Yet effective management of supply chain is not easy because of few constraints like the storage problem, fluctuation of raw materials, late shipment of raw materials by suppliers, late delivery of finished goods to the consumer, wrong information distribution during production and manpower shortage. These go with lack of basic knowledge of supply chain management amongst the business practitioners and even though some of the practitioners have realized the importance of supply chain management, they lack an understanding of what constitutes a comprehensive set of supply chain management practices. Thus the study was expected to contribute to the advancement of knowledge about the importance of supply chain management to performance of crown beverages Uganda limited, Hartley (2006).

## **1.3 Objectives of the study**

### **1.3.1 General objective**

To examine the relationship between supply chain management and organizational performance

### **1.3.2 Specific objectives**

- ) To examine supply chain management and organizational performance of crown beverages Uganda limited.
- ) To assess the impacts of supply chain management on organizational performance.
- ) To find out the different supply chain management practices used by Crown beverages Uganda limited.

### **1.4 Research Questions**

What is the relationship between supply chain management and organizational performance?

What are the impacts of supply chain management on organizational performance?

What are the different supply chain management practices used by Crown beverages Uganda limited?

### **1.5 Significance of the Study**

The study will make managerial contributions for players in the beverages industry, in that it will provide a basis for better understanding the different ways of applying supply chain and factors that would enhance effectiveness of the supply chain management practices they adopt.

The study will provide information on the supply chain management challenges and problems facing Crown beverages in Uganda at large.

The findings from the research will also be used as a source of reference for other researchers. In addition, academic researchers may need the study findings to stimulate further research in this area of competitive strategies and as such form a basis of good background for further researches.

To academicians, it will help them enrich the existing knowledge base concerning contraceptive which if need arise can be used for further research

To the researcher, it will help her graduate her three years course in procurement and supplies management of Kampala International University.

## **1.6 Scope of the Study**

### **1.6.1 Geographical scope**

The study was carried out from crown beverages Uganda limited. Historically, Crown Beverages Limited was founded and incorporated as Lake Victoria Bottling Company (LVBC) on 29th March 1950. Then, the Uganda government owned the majority shares while a few elite indigenous Ugandans owned the minority shares. In 1965, LVBC became the Pepsi Cola franchise in Uganda and started bottling global soft drinks including; Pepsi, Mirinda, Gingerly among others. During Amin's regime, the LVBC was nationalized by the government. However, it was the first company to be privatized by the National Resistance Movement government on 28th February 1993. Under the privatization arrangement with government, the company was sold to three indigenous Ugandans namely; Amos Nzeyi (CMM), Chris Kayoboke and Engineer Dan Kigozi (Maggie Kigozi). The new shareholders injected more capital in the company, installed a second bottling line and renamed the company Crown Bottlers Limited (CBL). With a new bottling line in place, CBL brands like 7Up, Mirinda Fruity, Evervess and most recently Mountain Dew.

### **1.6.2 Content scope**

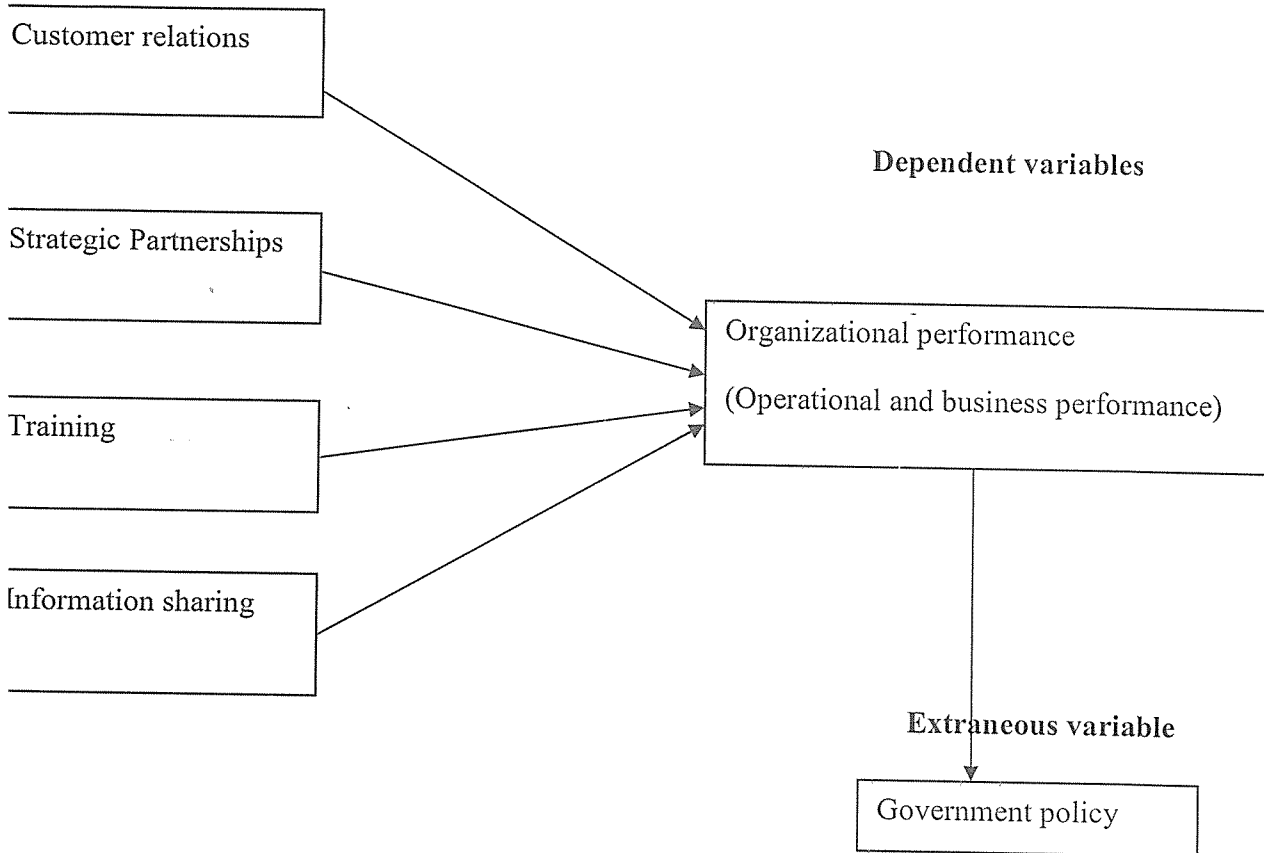
The study focused on supply chain management and performance of Crown beverages Uganda limited, solicit for challenges they face, supply chain management practices they use and how they can best apply it.

### **1.6.3 Time scope**

The study was carried out for a period of two months that is to say from May to July 2016.

### 1.7 Conceptual framework illustrating the relationship between supply chain management and organizational performance

#### Independent variables



Source; Researcher Conceptualization, 2016

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.0 Introduction**

This chapter presented a review of literature relating to the dependent and independent variables under investigation; it presented the objectives in a theoretical view thus called the literature review cited to suit the impact of supply chain management on organizational performance.

#### **2.1 Supply Chain Management**

Supply chain management is defined by Mentzer, (2004) as the systemic, strategic coordination of the traditional business functions and the tactics across these business functions within a particular company and across businesses within the supply chain, for the purposes of improving the long-term performance of the individual companies and the supply chain as a whole. SCM focuses on how firms utilize their suppliers' processes, technology, and capability to enhance competitive advantage. Hence Supply chain management (SCM) enhances competitive performance by closely integrating the internal cross-functions within a company and effectively extending them to the external operations of external partners to be successful (Morgan, 1997). Supply chain is a set of three or more entities directly involve in the upstream and downstream flows of products services, finances and information from a source to a customer (Hadfield, 2012).

#### **2.2 Relationship between supply chain management and organizational performance**

Beaumont (2005) states that the supply chain is an integrated process that involves from transformation of raw material in final product to customer delivery, being divided in at least four levels like suppliers, producers, distributors and customers. On this viewpoint, Pires (2004) reports that the SCM is a wider view of the traditional material management, now comprehending the whole supply chain that is to say suppliers and customers of several levels in a strategic and integrated way.

Considering the complexity of activities in the SCM, studies of the area have been analyzing the relation among its several practices, the integration levels and the performance of companies involved in a supply chain. Frohlich and Westbrook (2001), for instance, reviewing the chain upstream and downstream, measured the integration level taking the following practices into



consideration: production planning sharing, combined utilization of electronic data interchange, knowledge level and inventory mix levels, packaging customization, delivery frequency, shared use of containers, equipment and logistic services.

Among the conclusions of the upper mentioned study, it was verified that the bigger the SCM integration level, the stronger the association with performance improvement. Nevertheless, the same study suggests future researches could consider this integration level as part of the operation strategy, as the manufacture needs to be properly lined up with all the supply chain and not only within the company borders.

Li *et al.* (2006), on the other hand, investigated the relation among five SCM practices (strategic partnership with suppliers, customer relationship, level of information sharing, information quality and postponement), competitive advantage and organizational performance. The findings of the study highlight that the implementation of practices such as strategic leadership of suppliers, building a relationship with suppliers and postponement gave the organization a competitive advantage concerning cost, quality, reliability, flexibility and delivery.

Following the same research line, Fynes, Voss *et al.* (2005) evaluated four dimensions of the relationship with suppliers (communication, commitment, cooperation and adaptation) and its impact on the operational performance in traditional competitive priorities (quality, costs, delivery and flexibility). The research results revealed that the dimensions of relationship are a successive phase that accumulates over time, as in the adaptation phase improvement on the quality of the product and production cost reduction are conducted, but there are no effects on the performance of delivery and flexibility indicators.

Martin and Patterson (2009) conducted a survey with 143 purchasing, logistics and material management managers. The research aimed to identify which performance measures the companies that adopted SCM practices were using to manage their first tiers. The results indicated that the practices positively affected inventory (raw material, final product and storage volume) and cycle time (inventory turnover, cycle time and order fulfillment) indicators. However, the financial performance was not significantly affected by the SCM practices adopted by the analyzed companies.

Despite the success of studies on impact identification of the SCM practices over business and operational performance, it is possible to perceive a great diversity of practices adopted by the researchers with different nomenclatures, but with strong conceptual similarity, a fact that can result in a confused understanding of the concepts. It reinforces the findings that SCM is a highly contemporary area in business management that is still in developing and, as a consequence, still lacking some systematization, as in its terminology (Pires, 2004). In this context and aiming a standardization of the terms used in the analyzed studies, a systematization of the literature was planned. A brief definition of the concepts presented in follows illustrates the relationship between supply chain management and organizational performance;

### **Buyer–supplier relationships**

Partnership on both parts (contractors and suppliers) implies a long-term relationship between a company and its suppliers and vice-versa. This relationship is destined to influence operational and strategic capabilities of organizations in order to help them achieve significant benefits. For this reason, there are joint investments in process technology, product and human resources and the contractor company usually works with few suppliers that share responsibilities on the products success, Donlon (2006).

### **Strategic purchasing**

The concept of development and integration of suppliers is understood as a strategic view of shopping function, involving suppliers and shopping function in the strategic planning of a company. Narasimhan and Das (2001) formulate that the purchasing integration is related to the strategic importance of shopping activity, which is discussed in the strategic planning of the company. The authors emphasize the lining up of shopping objective, action plans, competitive priorities of the manufacture and business objectives.

### **Trust**

It happens when a company believes the other company (partner) will perform actions that will result in positive benefits for the development of both companies. When a continuous relationship for the development and increase of communication is assumed, the level of trust

(concerning the integrity and support) between both parts will increase (FYNES, VOSS e BÚRCA, 2005).

### **Dependence and interdependence**

The relation of dependence between suppliers and contractors is made of three elements: (a) there is a profit contribution percentage from one company to the other as long as the businesses are successful; (b) the communication and commitment about the marketing strategy aimed by both companies; (c) sharing risks and difficulties involving cost and struggle if both companies decide to bring the existing partnership to an end (FYNES, VOSS e BÚRCA, 2005).

### **Supplier evolution system**

The process integration and management with suppliers refer to; suppliers commitment on the development of new products (PEARSON, 2002); formation of inter-functional teams between suppliers and companies centered in general purposes, like just-in-time manufacture, cost reduction and initiatives of total quality and processes improvement (PAULRAJ, CHEN e FLYNN, 2006); investments on training activities and personal education of suppliers; work and communication of suppliers with the company concerning continuous improvement projects and workshops (LIN *et al.*, 2005); collaboration of both parts concerning subjects such as quality, development and process of products, information system and value analysis; companies investment in resources and time, mainly investments concerning product improvement training, high quality of material production and its parts; incentives for the suppliers such as prizes according to the market expectations, resulting in an induction of performance improvement, aiming the increase of business with the contractor company; monitoring suppliers performance evolution.

### **Information sharing**

Level of information sharing refers to the extent to which critical and proprietary information is communicated to one's supply chain. The information might be strategic or tactic, about logistic activities, about costumers and market, product availability, inventory levels, expeditions and production requirement status (LI *et al.*, 2006).

The means used for information integration are derived from implantation of the following communication technologies or methods; Electronic Data Interchange which refers to a group of integrated management in product development, information and work sharing with suppliers for the improvement on second layer supplier management, management systems like ERP (Enterprise Resource Planning) (DONG et al, 2001).

### **2.3 Impacts of supply chain management on organizational performance**

Supply chain management (SCM) involves not only the integration of key business processes within the organization but also the integration of these processes throughout the entire supply chain (Croxtton, Garcia-Dastugue, Lambert, & Rogers, 2001). "Leading-edge companies have realized that the real competition is not company against company, but rather supply chain against supply chain" (Cooper, Lambert, & Pagh, 1997). Given this approach to organizational success and competition, SCM may present a key opportunity for organizations to enhance performance and establish a competitive advantage.

Firms that are going to be successful already know or must quickly realize that in today's fast paced and interconnected business environment infused with mass globalization a firm will not survive in isolation but rather a single entity of an integrated supply chain (Tan, Kannan, Handfield, & Ghosh, 1999). Researchers have consistently acknowledged that today's business environment is no longer reflective of firm versus firm but has progressed to that of supply chain versus supply chain (Mentzer et al., 2001). Cooper and Ellram's (1993) study provided insight into the difficult transition from a traditional firm versus firm perspective to a supply chain versus supply chain perspective and provided comparisons between the more traditional approach and a supply chain philosophy.

Several conditions must be present for successful SCM adoption; "the single most important prerequisite is a change in the corporate cultures of all members of the supply chain" (Tan, Kannan, 1998). Cooper and Ellram (1993) identified three reasons to form supply chains; to reduce inventory investment in the chain, to increase customer service and to help build a competitive advantage for the channel.

Cooper and Ellram (1993) argued that companies have become more specialized and search for suppliers who can provide low cost, quality materials rather than own their source of supply. It becomes critical for companies to manage the entire network of supply to optimize overall performance. These organizations have realized that whenever a company deals with another company that performs the next phase of the supply chain, both stand to benefit from the other's success.

Increased national and international competition; customers have multiple sources from which to choose to satisfy demand; locating product throughout the distribution channel for maximum customer accessibility at a minimum cost becomes crucial. Previously, companies looked at solving the distribution problem through maintaining inventory at various locations throughout the chain. However, the dynamic nature of the marketplace makes holding inventory a risky and potentially unprofitable business. Customers' buying habits are constantly changing, and competitors are continually adding and deleting products. Demand changes make it almost a sure bet that the company will have the wrong inventory. The cost of holding any inventory also means most companies cannot provide a low cost product when funds are tied up in inventory, Flynn et al (2010).

Due to a realization by most companies that maximizing performance of one department or function may lead to less than optimal performance for the whole company. Purchasing may negotiate a lower the price on a component and receive a favorable purchase price variance, but the cost to produce the finished product may go up due to inefficiencies in the plant. Companies must look across the entire supply chain to gauge the impact of decisions in any one area.

Due to the number of rival companies expanding both locally and globally, companies not only have to reestablish themselves to produce higher-quality products and services, decrease waste and are able to respond to the market but also to handle their supply chain management efficiently. Organizations are facing different kinds of challenges in their effort of competing in today's dynamic global markets. To remain competitive, organizations must recognize the importance of supply chain practices that improve not only their own organizational performance but also coordinate with their supply chain partners to improve their joint performance. Yet, despite the significant advances in research and practices, many organizations continue to

struggle to understand the complex issues associated with the coordinated planning and supply activities amongst the members of their supply networks (Lori et al., 2011).

Supply chain management is, "a set of three or more entities (organizational or individuals) directly involved in the upstream and downstream flow of products, services, finances and information from source to customer" (Mentzer et al., 2001). SCM practices have been defined as the set of activities undertaken in an organization to promote effective management of its supply chain (Li et al., 2006). The best supply chain practices are the initiatives that influence the whole supply chain, its parts or key processes (Cuthbertson and Piotrowicz, 2008). These practices are influenced by contextual factors such as type of industry, firm size, its position in the supply chain, type and length of supply chain (Li et al., 2006).

A clear definition of firm performance is required in clarifying the multidimensional relationship between SCM practices and firm performance. The notion of firm performance has many aspects, and each aspect has been operationalized in various ways in previous supply chain management studies. For example, Flynn et al. (2010) reveal that operational performance and business performance are the two most utilized measures of firm performance.

As supply chain is getting importance in many organization the purchasing now have been considered increasing important role in the function of buying from the business partners. Many researchers have disclosed active participate in strategic purchasing in the organizations planning process. It improves the cross functional activities among the steps of SCM. It is playing the important role in between the supplier and internal customers of the organizations. And producing and providing value to the customers outside the organizations, Frohlich, et al (2011).

The relationship among the internal organization and promotion of the cross functional in the purchasing has played a very massive role. Its role of forecasting in the collaboration of the firm has yet not been studied. Focusing on managing the relationship it is now considered the basis of competitive advantage. Strategic purchase contributes to the more development of organizations. Basis capabilities by the firms is that the firm is working with a small no of supplier and promoting and open and secure communication among the suppliers relationship among the

supply chain members developing the long term orientation to achieve the long term mutual gains, Búrca, (2005).

All of the above capabilities enable them to maintain a competitive edge that will enable the firm. Some of the researcher have documented that the customer responsiveness is an essential element for any organization to improve the competitive advantage. Supply chain management can have the very big emphasis on firms overall performance of the organization. According to customer needs, and functions categories the product and its demand (Waller, Dabholkar, & Gentry, 2000). Its create balance between market demand and company capabilities to fulfil that demand (Fisher, 2007)

Competitive advantage is value a company provides to their customer which is other company enable to provide same value. Capabilities of company may give competitive advantage over the competitors (McGinnis & Vallopra, 2009)

Impacts of SCM on various functions such as purchasing (Andersen and Rask, 2003), the impacts on suppliers required by retailers to replenish stock based on actual sales (Abernathy et al. 2000), and the increasing use of tools and techniques such as “Quick Response” (QR) and “Efficient Consumer Response” (ECR). A trend, possibly mainly restricted to the auto industry, is towards a pattern of differentiation in the supply chain with, for example, a few “system integrators” at first tier supply level (Senter and Flynn, 2009).

The implicit existence of supply chains highlights the need for firms to not only acknowledge upstream and downstream business entities but to also build sustainable and mutually beneficial relationships with their upstream and downstream partners (Frohlich & Westbrook, 2001). Frohlich and Westbrook (2001) found a positive relationship between a firm’s rate of performance improvement and the level of integration between the firm and the firm’s suppliers and customers. This leads to another significantly addressed theory from SCM literature; practitioners and academicians alike agree that supply chain management is a means to create and sustain a competitive advantage and enhance organizational performance for the firm and for the entire supply chain (Lambert et al 2007).

While most trend analysis implies progress for example, Hines et al. (2004) Fisher (1997) claims that despite all the technology and the new techniques, supply chain performance in many instances has “never been worse”. The reason, he suggests, is that managers lack a framework for determining which methods are appropriate. This implies the need for managers to adopt far more of a contingent rather than a “best practice” approach. It further suggests a need to fit supply chain characteristics to product strategy. Similarly, partnership may not always be the right approach in every circumstance (Lambert et al. 1996). The underlying claimed “trend” is that supply management consciousness is accelerating up the corporate agenda and there does appear to be some evidence for this. For example, many companies have appointed supply chain directors and there has been talk of competition between supply chains rather than simply competition between individual firms (Christopher, 2008). Perhaps even more prevalent has been the trend towards the conscious examination and rationalisation of supplier networks and the development of “collaborative” or “partnership” relationships between buyers and suppliers (Balakrishnan, 2004). Such initiatives have come to be seen as of strategic significance by general managers rather than simply tactical gains by functional specialists (Storey, 2002).

Increase productivity by using lower cost on inventory management are the short term goals of supply chain management long term goals of supply chain are enhance profit and its stock (Tan, Kannan, & Handfield, supply chain management: Supplier performance and firm performance, 1998) If an organization is providing products with high level of quality can charge extra prices and then is able to increase its profit. An organization with low time to the market will be able to enjoy a huge market share

Although SCM is currently no longer a new strategy, there are still some serious practical problems that have yet to be addressed. Like lack of basic knowledge of SCM amongst the business practitioners and even though some of the practitioners have realized the importance of SCM, they lack an understanding of what constitutes a comprehensive set of SCM practices.

It is only by embracing supply chain management practices that companies such as Crown Beverages Industries Ltd will be recognized by their customers and industry as highly effective professionals who contribute towards the most cost effective business solutions. Since there are hardly any studies related to the know-how of SCM practices as well as their effect on



organizational performance in Kenyan manufacturing companies. Therefore, the researcher needed to study commonly advocated SCM practices used in previous researches in other countries Li *et al.*, (2005), Li *et al.*, (2006), Lori (2011) that include strategic supplier partnership, customer relationship, Information sharing and training impact on organizational performance in Kenyan industries, Stuart (2007).

SCM practices impact not only overall organizational performance but also competitive advantage of an organization. They are expected to improve an organization's competitive advantage through price/cost, quality, delivery dependability, time to market and product innovation. Prior studies have indicated that the various components of SCM practices (such as strategic supplier partnership) have an impact on various aspects of competitive advantage (such as price/cost). For example, strategic supplier partnership can improve supplier performance, reduce time to market and increase the level of customer responsiveness and satisfaction. Information sharing leads to high levels of supply chain integration by enabling organizations to make dependable delivery and introduce products to the market quickly. Information sharing and information quality contribute positively to customer satisfaction and partnership quality. Postponement strategy not only increases the flexibility in the supply chain but also balances global efficiency and customer responsiveness. Supply chain management is becoming of increasing strategic importance and the fieldwork concurred with the literature in identifying globalisation, outsourcing and fragmentation as three major drivers, Vonderembse et al (2009).

However, there is also limited agreement and understanding on how to measure the performance of the supply chain; measuring the performance of the supply chain is difficult (Gunasekaran & Kobu, 2007). Lambert and Pohlen (2001) suggest that, "many measures identified as supply chain metrics are actually measures of internal logistics operations as opposed to measures of supply chain management". Developing functional SCM performance measures is still in the early stages. The consequences of failing to adequately measure supply chain performance are clearly addressed by Lambert and Pohlen (2001) and Gunasekaran and Kobu (2007). Consequences identified in Lambert and Pohlen's (2001) study included a firm's "failure to meet consumer/end user expectations, sub-optimization of departmental or company performance, missed opportunities to outperform the competition, and conflict with the supply chain".

The increased competitiveness of a firm may enable a firm to implement higher level of SCM practice due to the need to outperform its competitors constantly and keep its competitive position in today's dynamic business world. On the other hand, enhanced organizational performance provides a firm increased capital to implement various SCM practices. Likewise, enhanced organizational performance could have increased the competitive advantage of a firm. For example, a firm with good financial capability can afford to offer low price, which provides a cost advantage over its competitors, Zhang, (2011).

#### **2.4 Types of supply chain management practices**

SCM practices have been defined as a set of activities undertaken in an organization to promote effective management of its supply chain. Donlon describes the latest evolution of SCM practices, which include supplier partnership, outsourcing, cycle time compression, continuous process flow, and information technology sharing. Tan et al. use purchasing, quality and customer relations to represent SCM practices, in their empirical study. Alvarado and Kotzab include in their list of SCM practices concentration on core competencies, use of inter-organizational systems such as EDI and elimination of excess inventory levels by postponing customization toward the end of the supply chain. Tan et al. identify six aspects of SCM practice through factor analysis: supply chain integration, information sharing, supply chain characteristics, customer service management, geographical proximity and JIT capability, Rudberg et al (2003).

Chen and Paulraj use supplier base reduction, long-term relationship, communication, cross-functional teams and supplier involvement to measure buyer-supplier relationships. Min and Mentzer identify the concept SCM as including agreed vision and goals, information sharing, risk and award sharing, cooperation, process integration, long-term relationship and agreed supply chain leadership. Thus the literature portrays SCM practices from a variety of different perspectives with a common goal of ultimately improving organizational performance, Monczka et al(2008).

In reviewing and consolidating the literature, five distinctive dimensions including strategic supplier partnership, customer relationship, level of information sharing, quality of information sharing and postponement, are selected for measuring SCM practice. The five constructs cover

upstream (strategic supplier partnership) and downstream (customer relationship) sides of a supply chain, information flow across a supply chain (level of information sharing and quality of information sharing), and internal supply chain process (postponement). It should be pointed out that even though the above dimensions capture the major aspects of SCM practice, they cannot be considered complete. Other factors, such as geographical proximity, JIT/lean capability, cross-functional teams, logistics integration, agreed vision and goals and agreed supply chain leadership are also identified in the literature though these factors are of great interest, they are not included due to the concerns regarding the length of the survey and the parsimony of measurement instruments, LI et al (2006).

**Strategic supplier partnership;** it is defined as the long-term relationship between the organization and its suppliers. It is designed to leverage the strategic and operational capabilities of individual participating organizations to help them achieve significant ongoing benefits. A strategic partnership emphasizes direct, long-term association and encourages mutual planning and problem solving efforts. Such strategic partnerships are entered into to promote shared benefits among the parties and ongoing participation in one or more key strategic areas such as technology, products, and markets. Strategic partnerships with suppliers enable organizations to work more effectively with a few important suppliers who are willing to share responsibility for the success of the products. Suppliers participating early in the product-design process can offer more cost effective design choices, help select the best components and technologies and help in design assessment. Strategically align organizations can work closely together and eliminate wasteful time and effort. An effective supplier partnership can be a critical component of a leading edge supply chain, FYNES et al (2005).

**Customer relationship:** Comprises the entire array of practices that are employed for the purpose of managing customer complaints, building long-term relationships with customers and improving customer satisfaction. Noble and Tan et al. consider customer relationship management as an important component of SCM practices. As pointed out by Day committed relationships are the most sustainable advantage because of their inherent barriers to competition. The growth of mass customization and personalized service is leading to an era in which relationship management with customers is becoming crucial for corporate survival. Good

relationships with supply chain members including customers, are needed for successful implementation of SCM programs. Close customer relationship allows an organization to differentiate its product from competitors, sustain customer loyalty and dramatically extend the value it provides to its customers, Garvin, (2008).

Level of information sharing: Information sharing has two aspects: quantity and quality. Both aspects are important for the practices of SCM and have been treated as independent constructs in the past SCM studies. Level (quantity aspect) of information sharing refers to the extent to which critical and proprietary information is communicated to one's supply chain partner. Shared information can vary from strategic to tactical in nature and from information about logistics activities to general market and customer information. Many researchers have suggested that the key to the seamless supply chain is making available undistorted and up-to-date marketing data at every node within the supply chain. By taking the data available and sharing it with other parties within the supply chain, information can be used as a source of competitive advantage, Gerwin, (2007).

Lalonde considers sharing of information as one of five building blocks that characterize a solid supply chain relationship. According to Stein and Sweat, supply chain partners who exchange information regularly are able to work as a single entity. Together, they can understand the needs of the end customer better and hence can respond to market change quicker. Moreover, Tompkins and Ang consider the effective use of relevant and timely information by all functional elements within the supply chain as a key competitive and distinguishing factor. The empirical findings of Child house and Towill reveal that simplified material flow, including streamlining and making highly visible all information flow throughout the chain, is the key to an integrated and effective supply chain, Gunasekaran et al (2011).

Quality of information sharing includes such aspects as the accuracy, timeliness, adequacy, and credibility of information exchanged. While information sharing is important, the significance of its impact on SCM depends on what information is shared, when and how it is shared, and with whom. Literature is replete with example of the dysfunctional effects of inaccurate/delayed information, as information moves along the supply chain. Divergent interests and opportunistic behavior of supply chain partners and informational asymmetries across supply chain affect the

quality of information. It has been suggested that organizations will deliberately distort information that can potentially reach not only their competitors but also their own suppliers and customers. It appears that there is a built in reluctance within organizations to give away more than minimal information since information disclosure is perceived as a loss of power. Organizations need to view their information as a strategic asset and ensure that it flows with minimum delay and distortion, Handfield et al (2012).

Postponement is defined as the practice of moving forward one or more operations or activities (making, sourcing and delivering) to a much later point in the supply chain. Two primary considerations in developing a postponement strategy are; determining how many steps to postpone and determining which steps to postpone. Postponement allows an organization to be flexible in developing different versions of the product in order to meet changing customer needs and to differentiate a product or to modify demand function. Keeping materials undifferentiated for as long as possible will increase an organization's flexibility in responding to changes in customer demand, Narasimhan, (2008).

In addition, an organization can reduce supply chain cost by keeping undifferentiated inventories. Postponement needs to match the type of products, market demands of a company, and structure or constraints within the manufacturing and logistics system. In general, the adoption of postponement maybe appropriate in the following conditions that is innovative products; products with high monetary density, high specialization and wide range; markets characterized by long delivery time, low delivery frequency and high demand uncertainty and manufacturing or logistics systems with small economies of scales and no need for special knowledge, Stuart, (2007)

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Research Design**

The research involved a case study design to describe the bio data of respondents and their ability to fill in questionnaires and attend to interviews. This design was relevant to a commercial research related to companies like crown beverages because it helped in finding extensive use in relating distributors to customers and the company at large, very respectable method of teaching and research in management which helped greatly in knowing the causes and the results of the phenomenon.

#### **3.2 Target Population**

The population of interest in this study was clients, internal and external employees and employers of Crown beverages Uganda. Hence the total population used in this research was 110. The respondents from the company involved 30 credit managers from the company, 5 from the human resource department and 1 managing director in the company plus 74 clients of Crown beverages.

#### **3.3 Sample size**

This involved Crown beverages main branch (Namanve) and some few selected clients of the Company. This was taken to be the representative of other branches in Kampala and Uganda at large. This research covered a sample of 110 respondents and it covered the beneficiaries (clients/customers and distributors).

#### **3.4 Sampling Technique**

The Simple Random Sampling was employed to select respondents from Crown beverages and all selected respondents. A simple random sample (SRS) of size 110 was produced by a scheme which helped a researcher ensure that each subgroup of the selected population had an equal probability of being chosen as the sample. This procedure was considered effective so as to avoid bias in data presentation.

### **3.5 Data collection sources**

#### **3.5.1 Primary Data**

Primary Data was collected using both questionnaires and interviews. The questionnaire was developed basing on the information needed from the respondents. Both interviews and the questionnaires were done towards the relationship between supply chain management and performance of Crown beverages.

#### **3.5.2 Secondary data**

Secondary data was got from the various records available to research related to supply chain management and performance of different organizations.

### **3.6 Questionnaire**

The researcher used questionnaire which involved sample worded relatively short but comprehensive control questions which helped her to ensure correctness and consistence of respondents.

A semi-structured questionnaire consisting of two sections was used, Section I and section II. Section I consisted of items pertaining to bio data of the respondents while section II consisted of items pertaining to the area of study. The various types of credit management techniques identified from literature review were listed and respondents were asked to indicate the different credit management types used by ticking as appropriate. Multiple answers were allowed.

### **3.7 Interviews**

Personal interviews through a dialogue were conducted with Crown beverages staff and clients to help supplement questionnaires. However, emphasis was put on structured interviews which were designed in such a way that more specific and truthful answers related to the topic are got. Interviews were preferred because according to Gupta (2003), they give an opportunity to probe and obtain detailed information on the issue as well as helping to collect data from respondents with less time and those who can hardly read and write.

### **3.8 Data Analysis**

The data was analyzed qualitatively and quantitatively by use of frequency tables and percentages so as to reflect the relationship between supply chain management and organizational performance of Crown beverages with the intention to produce quality work.

### **3.9 Ethical considerations**

The researcher got a letter from the head of department for procurement and logistics management that service as an introduction to various respondents; she proceeded to the field for research. In addition some people were voluntarily asked to participate in the interviews for example clients of the company. Research assistants were informed about the procedures of the research. The information gathered was observed and identification of the information was not made available to any one who was not directly involved in the study and at the end all respondents were kept anonymous.

### **3.10 Limitations of the study**

#### **Time factor**

The time available to the researcher was not sufficient for data collection, analysis and final representation of the whole research work. Therefore, the researcher was limited to study Crown beverages internally and externally.

#### **High costs**

The cost of research was too high in terms of typing, printing, analyzing and publishing the research presentation. Therefore the researcher got some money from friends and relatives to complete the research on the work. However, given the above encountered problems, the researcher did her best to see that the necessary information was obtained, edited, coded, analyzed and interpreted.

#### **Privacy**

There was limited access to information because some people feared to expose information. However, this was solved through giving them assurance that information is for education not business based.



## CHAPTER FOUR

### PRESENTATION OF FINDINGS

This chapter presented and discussed the finding of the study that included a sample of 110 respondents. The study was aimed at looking at the relationship between supply chain management and organizational performance of crown beverages Uganda limited. However , out of the 110 questionnaires submitted 80 were retrieved and this was attributed to the researcher's being a friend to some of the respondents who helped her in distribution of questions as presented below;

#### 4.1 Bio Data of respondents

In this section the background characteristics of respondents such as gender, age, level of education marital status and period of employment at crown beverages were presented. Below are the tables showing the analysis of the findings from the field;

**Table 1: Gender of respondents**

Response	Frequency	Percentages
Male	50	62.5
Female	30	37.5
Total	80	100

Primary Data, June 2016

From Table 1, the staff of crown beverages was made up of more male (62.5%) than females (37.5%) which was attributed to the fact being that work inside the factory needs able bodied people strong enough to carry heavy things like crates.

**Table 2: Age of respondents**

Response	Frequency	Percentages
Below 18 years	10	12.5
19-30	40	50
31 – 44 years	20	25
45 and above	10	12.5
Total	<b>80</b>	<b>100</b>

Primary Data, June 2016

From Table 2 the finding revealed that the majority of respondent were between 19-30 years with a percentage of 50%, 20 out of 80 respondents representing 25% were between 31 -44years, 12.5% were aged 44years and above, yet 12.5% were aged below 18years and these were mostly part timers like students in vacation put in the package department. This was so due to the fact that crown beverages employs mature people who according to the 1995 constitution of the republic of Uganda have to be in between 18-75 years irrespective of whether it is private or a public institution.

**Table 3: Level of education of the respondents**

Response	Frequency	Percentages
Masters	18	22.5
Degree	52	65
Diploma	5	6.25
Certificate	5	6.25
Total	<b>80</b>	<b>100</b>

Source; Primary Data, June 2016

From Table 3, finding revealed that 65% of the respondents were degree holders 6.25% had diploma, 22.5% hold masters degree while 6.25% hold certificate. This implied that crown beverages Uganda limited employees are qualified people hence it is full of experts and people ready to innovate and compete both locally and internationally.

**Table 4: Working experience at crown beverages**

Response	Frequency	Percentages
One year	20	25
Two years	20	25
Three years	30	37.5
Others	10	12.5
Total	<b>80</b>	<b>100</b>

Primary Data, June 2016

From the findings of the study, 20 out of the 80 respondents representing 25% had served the company for only one year. Yet 25% had served for two years, 30 out of 80 respondents representing 37.5% had worked with crown beverages for three years and other argued had worked for more than 4 years with a percentage of 12.5%.

## **SECTION B: Results from the objectives of the study**

**1.2 Findings on the objectives of the study on supply chain management and organizational performance of crown beverages Uganda limited.** This study was guided by three research objectives. Verification of the three objectives was guided by the conditions which described the data. After presentation of the results from the three research objectives were also presented.

### **1.2.1 Relationship between supply chain management and organizational performance**

The first research objective of the study sought to investigate the relationship between supply chain management and organizational performance. In order to solicit information to answer the above question, the researcher asked respondents different issues related to the above objective

of the study and among those were; whether they understand the meaning of the terms supply chain management and organizational performance, how people at crown beverages find supply chain management and the relationship between supply chain management and organizational performance as seen below,

**Table 5; whether most of the respondents understand the meaning of the terms supply chain management and organizational performance**

Response	Frequency	Percentages
True	40	50
False	25	31.25
No Idea	15	18.75
Total	80	100

Source; Primary Data 2016

From the study results, 60 out of the 80 respondents representing 50% argued that they understand the terms, 25 out of 80 respondents representing 31.25% argued that it is false because they have never heard of the terms yet 15 out of the 80 respondents representing 18.75% had no idea. In comparison to the three findings, due to the fact that most people in crown beverages Uganda limited could read and write, they could easily understand the meaning of the term supply chain management and organizational performance.

**Table 6: How people at crown beverages find supply chain management**

Response	Frequency	Percentages
Easy	40	50
Flexible	35	43.75
Good	5	6.25
Hard to maintain	0	0
Total	80	100

Source: Primary Data 2016

From Table 6, 40 out of 80 respondents representing 50% argued that the use of supply chain management has been easy and simple since it simplifies life between suppliers and consumers. 35 out of 80 respondents representing 43.75% argued that it is flexible and 5 out of 80 respondents representing 6.25% argued that it is hard to maintain since it doesn't directly makes consumers reach to the top managers.

**Table 7: Relationship between supply chain management and organizational performance**

Response	Frequency	Percentages
Specialization	20	25
Increased national and international competition	43	53.7
Relationship between suppliers and consumers	17	21.3
<b>Total</b>	<b>80</b>	<b>100</b>

Source: Primary Data 2016

According to table 7, 20 out of the 80 respondents representing 25% argued that supply chain management helps organizations to become specialists for instance Cooper and Ellram (1993) argued that companies have become more specialized and search for suppliers who can provide low cost, quality materials rather than own their source of supply. It becomes critical for companies to manage the entire network of supply to optimize overall performance. These organizations have realized that whenever a company deals with another company that performs the next phase of the supply chain, both stand to benefit from the other's success.

43 out of 80 respondents representing 53.7% argued that it leads to increased national and international competition as expressed by authors like Flynn et al (2010) who argued that customers have multiple sources from which to choose to satisfy demand; locating product throughout the distribution channel for maximum customer accessibility at a minimum cost becomes crucial. Previously, companies looked at solving the distribution problem through maintaining inventory at various locations throughout the chain.

17 out of 80 respondents representing 21.3% argued that it strengthens relationship between suppliers and consumers for instance Frohlich; et al (2011) argued that it is playing an important role in between the supplier and internal customers of the organizations. And producing and

providing value to the customers outside the organizations. Hence to remain competitive, organizations must recognize the importance of supply chain practices that improve not only their own organizational performance but also coordinate with their supply chain partners to improve their joint performance.

#### 4.2.2 Impacts of supply chain management on organizational performance

This was the general objective of the study that guided the whole process of data collection and sought to find out impacts of supply chain management on organizational performance. In their response to the above objective of the study the results below were analyzed;

**Table 8: Impacts of supply chain management on organizational performance**

Response	Frequency	Percentages
Corporate image	20	25
Reliability	10	12.5
Good quality produce	15	18.75
Saves time	25	31.25
Dependability	10	12.5
<b>Total</b>	<b>80</b>	<b>100</b>

Source: Primary Data, June 2016

From table 8 above, 20 out of 80 respondents representing 25% argued that supply chain management improves corporate image since it focuses on how firms utilize their suppliers' processes, technology and capability to enhance competitive advantage. This is more emphasized by Martin and Patterson (2009) who argued that the leading-edge companies have realized that the real competition is not company against company but rather supply chain against supply chain. 15 out of 80 respondents representing 18.75% argued that it improves quality due to the competition it creates amongst producers and 31.25 argued that supply chain management saves time.

10 out of 80 respondents representing 12.5% argued that supply chain management improves reliability of customers on the company for instance retailers and final consumers. This is because if products reach in time, it is always good to deal with such companies.

Like wise 12.5%argued that it creates dependability for instance customers develop an interest of strictly dealing with such an organization in terms of trade. This according to Frohlich, et al (2011) supply chain management is playing the important role in between the supplier and internal customers of the organizations. And producing and providing value to the customers outside the organizations.

### 4.2.3 The types of supply chain management practices used by crown beverages Uganda limited

The last research objectives of the study sought to analyze the types of supply chain management practices used by crown beverages Uganda limited and results were presented as seen below;

**Table 9: Types of supply chain management practices used by crown beverages Uganda limited**

Response	Frequency	Percentages
Customer relationship	20	25
Level of information sharing	10	12.5
Postponement	15	18.75
Strategic supplier partnership	25	31.25
Quality of information sharing	10	12.5
<b>Total</b>	<b>80</b>	<b>100</b>

Primary Data, June 2016

### **Customer relationship**

From table 9 on the types of supply chain management used by crown beverages, 20 out of 80 respondents representing 25% argued that customer relationship is used and this according to authors like FYNES et al (2005) customer relationship is designed to leverage the strategic and operational capabilities of individual participating organizations to help them achieve significant ongoing benefits. A strategic partnership emphasizes direct, long-term association and encourages mutual planning and problem solving efforts. Such strategic partnerships are entered into to promote shared benefits among the parties and ongoing participation in one or more key strategic areas such as technology, products and markets.

### **Level of information sharing**

10 out of 80 respondents argued that information sharing is also used in supply chain management for example distributors and consumers have to find ways of getting good produce as explained by Garvin, (2008) that committed relationships are the most sustainable advantage because of their inherent barriers to competition. The growth of mass customization and personalized service is leading to an era in which relationship management with customers is becoming crucial for corporate survival. Good relationships with supply chain members including customers are needed for successful implementation of SCM programs.

### **Postponement**

15 out of 80 respondents representing 18.75% argued that postponement is another supply chain management practice used by crown beverages to improve organizational performance. This as expressed by Narasimhan, (2008) allows an organization to be flexible in developing different versions of the product in order to meet changing customer needs and to differentiate a product or to modify demand function. Keeping materials undifferentiated for as long as possible will increase an organization's flexibility in responding to changes in customer demand.

### **Strategic supplier partnership**

15 out of the 80 respondents representing 31.25% argued that strategic supplier partnership is also a type of supply chain management to improve organizational performance. This argument is more emphasized by FYNES et al (2005) who argued that a strategic partnership emphasizes



direct, long-term association and encourages mutual planning and problem solving efforts. Such strategic partnerships are entered into to promote shared benefits among the parties and ongoing participation in one or more key strategic areas such as technology, products, and markets.

### **Quality of information**

From the findings of the study 10 out of 80 respondents representing 12.5% argued that quality of information sharing determines the supply chain management in such a way that by taking the data available and sharing it with other parties within the supply chain, information can be used as a source of competitive advantage. This as stipulated by Gerwin, (2007), Shared information can vary from strategic to tactical in nature and from information about logistics activities to general market and customer information and critical and proprietary information is communicated to one's supply chain partner.

## **CHAPTER FIVE**

### **SUMMARY OF THE FINDINGS, RECOMMENDATIONS AND CONCLUSIONS**

#### **5.0 Introduction**

This chapter presented the summary of findings from the research carried out at Crown beverages Uganda limited, recommendations and conclusions were made.

#### **5.1 Summary**

The study came up with positive responses where by out of the 110 questionnaires submitted 80 were responded to that is to say 73% of the response. This showed a high level of cooperation among respondents and a smooth process of collecting data. Among those who responded to the questionnaire, 62.5% were male and 37.5% were female and in accordance to the findings most of the respondents were educated.

##### **5.1.1 Impact of supply chain management on organizational performance**

From the same study, a bigger percentage of respondents argued that supply chain management saves time and as well creates a corporate image through simplifying distribution and access of goods by the final consumer hence enabling them to maintain a competitive edge that will enable the firm to get a good reputation.

##### **5.1.2 Relationship between supply chain management and organizational performance**

From the findings of the study showed that the relationship between supply chain management and organizational performance is high due to issues expressed by respondents that at times without one, the other will not stand that is suppliers help the company to operate and without the company they will not get jobs hence the two are related.

##### **5.1.3 Different supply chain management practices used by Crown beverages**

It can be summarized that there are different supply chain management practices used by Crown beverages like Strategic supplier partnership, Customer relationship, Level of information sharing and Postponement. However, the famously used is strategic supplier partnership

## **5.2 Recommendations**

From the findings of the study the recommendations below were made;

### **5.2.2 Relationship between supply chain management and organizational performance**

From the findings of the study it is true that supply chain management and organizational performance are related, however it is recommended that crown beverages improves on the linkup between top management and the final consumer at the grassroots to open space for feedback for complaints.

### **5.2.3 Impacts of supply chain management on organizational performance**

Looking at the impacts of supply chain management on organizational performance, this has been achieved through achievements like specialization in production of soft and sweeter, high demanded drinks like Pepsi and Mirinda fruity, however it is recommended that the focus be put on improvement of quality in package to avoid customer complaints put on rusted and broken bottles which can cause harm on people's lives.

### **5.2.4 Different supply chain management practices used by Crown beverages**

Crown beverages deals in a variety of supply chain management practices like strategic supplier partnership, customer relationship, level of information sharing, quality of information sharing and postponement, it is recommended to strengthen its relationship with the final consumer because he is the boss for the company. This should be done through creating space for complaints, inviting them for company parties and also giving back to them.

### **5.2.5 General Recommendations**

- ) The government should reduce on the taxes imposed on private institutions like crown beverages since they contribute much towards unemployment reduction.
- i) Crown beverages should stick to providing quality produce irrespective of the prevailing competition from other companies.
- ii) Customers should also be considerate in over demanding for innovations in the company, in their wards they have to be patient for the company to provide best results.

### **5.3 Conclusions**

From the study it can be concluded that to a larger extent Crown beverages Uganda limited has achieved much through use of supply chain management and currently to be sincere it is the leading beverage company not only in Uganda and Africa but also the world at large.

### **5.4 Area for future researchers**

They should stick on the following;

Effects of beverages companies to the economic development of Uganda.

Challenges faced in implementation of supply chain management.

Role played by the Ugandan government in improving private sector base.

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**APPENDIX I**  
**QUESTIONNAIRE SCHEDULE**

**TOPIC: SUPPLY CHAIN MANAGEMENT AND ORGANIZATIONAL  
PERFORMANCE A CASE STUDY OF CROWN BEVERAGES UGANDA LIMITED**

Dear respondent, I am **Nakusi Brenda** a student from Kampala international university pursuing a bachelor's degree in procurement and logistics management currently in my final year. I am carrying out research on the above topic and the purpose of this study is to accomplish my three years course at KIU. Precisely, your response will be treated with confidentiality and the information obtained will be strictly for educational purposes only.

Tick one or write the relevant information in the space provided.

**SECTION A: SOCIO-DEMOGRAPHIC**

**1. Gender**

a) Male ☐ b) Female ☐

**2. Age**

a) Below 18 years ☐ b) 19–30 years ☐ c) 31 – 44 years ☐ d) 45 and above ☐

**3. Level of education**

a) Degree ☐ b) Diploma ☐ c) Tertiary ☐ d) Secondary ☐ e) Primary ☐

**4. Working experience**

a) One year ☐ b) Two years ☐ c) Three years ☐

d) Others (specify).....

**SECTION B: OBJECTIVES OF THE STUDY**

**Relationship between supply chain management and organizational performance**

i) What does the term supply chain management mean to you?

.....

.....

ii) What is organizational performance according to you?

.....

.....

iii) How do you find supply chain management?

.....

.....

iv) Do you think there is a close relationship between supply chain management and organizational performance?

Yes ☐

No ☐

v) If yes, explain briefly the relationship?

.....

.....

vi) How best can crown beverages apply supply chain management for its success?

.....

.....

vii) Give recommendations for application of supply chain management for a company's performance?

.....

.....

.....

**Impacts of supply chain management on organizational performance**

Do you think supply chain management is important for crown beverages?

Yes ☐

No ☐

If yes, give reasons to support your answer?

.....

.....

.....

If no, what do you think a reputable company like crown beverages might have missed?

.....

.....

What according to you are the impacts posed on performance of a company due to supply chain management?

.....

.....

What are your recommendations for the company's performance?

.....

.....

**The different supply chain management practices used by crown beverages**

What do you think are the different supply chain management practices used by crown beverages

.....  
.....  
.....  
.....  
.....

Are they applicable to the manufacturing industry in Uganda?

Yes     ☐

No      ☐

If yes, give reasons to defend your answers?

.....  
.....

If no, how appropriate can supply chain be applied to the manufacturing industry of Uganda?

.....  
.....

Give your recommendations for improvement of Crown beverages’ services in Uganda at large.

.....  
.....

**END**

**APPENDIX II**  
**PROPOSED BUDGET**

<b>ITEMS</b>	<b>QUANTITY</b>	<b>AMOUNT</b>
One dozen of pens	1	9000
Flash disk	1	40000
Typing and printing	30	10000
Transport		100000
Ream of papers		15000
Lunch		80000
Airtime		50000
<b>Grand Total</b>		<b>314,000</b>

**APPENDIX III**  
**TIME FRAME**

Activity	Period
Writing the topic	March 2016
Looking for sources of data	April 2016
Writing the proposal	April 2016
Submitted the dissertation for the first time	June 2016
Submitted final copy of the dissertation	June 2016