**STOCK MANAGEMENT AND CUSTOMER SATISFACTION IN RETAIL FOOTWEAR BUSINESS**

**A CASE STUDY OF BATA SHOE COMPANY (UGANDA) LIMITED**

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**CHAPTER ONE**

# **INTRODUCTION**

# **1.0 Background to the Study**

# **1.1.0 Introduction**

This chapter covers the background of the study, statement of the problem, objectives of the study, the scope of the study, significance of the study and the operational definition of terms and conceptual framework.

# **1.1.2 Stock Management**

Stock management directly affects both the value of the assets used in a business and the quality of services given to customers. Firms should therefore focus on just a few core activities which of course include stock management in order to maintain a long-term competitive advantage. Using this approach which has been refined, companies have tried to focus on their stock and have set a stage for wide spread acceptance of advantages of stock management (Baily 1997; Lewis 1970; Quinn 1992; Hamel and Prahalad 1994). Baily (1997) explains that it is widely feared that shortages of materials and certain products will be increasingly common in future. Whlie Kotler 1973 and Balachandrian (1975) argue that in times of shortages, the marketing problem shifts its location from selling to buying. Basing on this, Croell (1977) suggests that the purchasing department is expected to provide what is expected of in terms of stock taking, stores lay out and stock levels.

A study undertaken between 1981 and 2000 in the US to analyze inventory management and was found out that organizations that kept too much inventory in their warehouse operated an inefficient supply chain, while those that kept minimal inventory in their warehouse were very efficient (Lai and Cheng 2009)

Many organizations in Uganda that do not have proper stock management systems in their operations face a lot of challenges most of which include dependency on the efficiency of the supplier, missed sales in case of stock outs, high costs of obtaining materials and poor customer service. However, organizations have recently found it as having a great impact on the private organization of the organizations (Frazelle, 2002; Jessop, 1986). Good stock management by a firm will lower costs, improve efficiency and ensure production while at the same time meet fluctuations in customer demand. It will give the firm a competitive advantage as more efficient production can feed through to lower prices and also customers are always satisfied as products will be available on demand.

# **1.1.3 Customer satisfaction**

Organization that enjoy long-term prosperity and grow do so because they have a constant attention and willingness to examine, re-examine and improve on basic factors that many people regard as obvious.

Customer satisfaction is the fulfillment of the customers’ expectations and meeting their needs by providing the benefits sought and doing better than competitors (Kotler, 1988). With the ever-changing customer needs, manufacturers and retailers should maintain a good inventory system so as to forecast market demand with accuracy. Organizations should identify and satisfy customer needs by providing the benefits sought and doing better than competitors while making satisfactory profits. (Harris, 2000). A company’s loyalty and product purchase come from achieving customer satisfaction (Gerry, 2005).

# **1.1.4 Background of Bata Shoe Company (Uganda) Limited**

Bata Shoe Company (Uganda) Limited was established in 1966 in Uganda, and belongs to Bata shoe Organisation (BSO) a multinational company that deals in foot wear production and retailing across the world.

Bata Shoe Organisation (BSO) was founded by Tomas Bata together with his sister Anna and brother Antonin Bata in 1894 in Zlin, originally as a retail shoe business. It has its headquarters currently located in Switzerland.

The Organisation has operations in five continents of the world. In Africa the organisation operates in countries of Kenya, Uganda, Zimbabwe, Nigeria, Ethiopia, Zambia, Botswana and South Africa.

Bata Shoe (Uganda) head offices are located on fifth street industrial area, Bugolobi Kampala.

In its early years’ operation, Bata Shoe Company (Uganda) was manufacturing most of the shoe lines from Uganda. However, in 2006, the manufacturing plant was closed due to among other reasons such as unbearable electricity crisis and insufficient machinery.

The factory equipment’s and machinery were relocated to Limuru Kenya retaining stores for distribution of its products to the Ugandan market

Today Bata Shoe (Uganda) Limited outsources majority of its products/stock mostly from African countries like Kenya, Zimbabwe, South Africa, Ethiopia, and Asian countries like India, Indonesia, Malaysia, Singapore, China amongst others suppliers.

# **1.2 Statement of the Problem**

Stock management is a very important aspect in an organization, as it allows for efficient balance of patterns of traffic flow, use of space, rapid and easy access to stock of input and output, general efficient stores operation and customer satisfaction.

Because Bata shoe company (Uganda) Limited Ltd, purchases most of her stock from other countries, and as such she faces a challenge of adequate stock and long lead times. The company has not been able to achieve the extra desired 15% of the market share in Uganda, this can probably be attributed to poor stock management systems leading to dissatisfied customers and low performance.

This study therefore seeks to establish the relationship between stock management and Customer satisfaction in Bata Uganda.

# **1.3 Purpose of the study**

The general objective of the study is to examine the effect of stock management on customer satisfaction at Bata Shoe Company (Uganda) Limited

**1.4 Specific Objectives**

1. To determine the effect of stock planning on customer satisfaction at Bata Shoe Company (Uganda) Limited
2. To assess the effect of stock allocation on customer satisfaction at Bata Shoe Company (Uganda) Limited
3. To evaluate the effect of stock identification on customer satisfaction at Bata Shoe Company (Uganda) Limited

**1.5 Research Questions**

1. What is the effect of stock planning on customer satisfaction at Bata Shoe Company (Uganda) Limited?
2. What is effect of stock allocation on customer satisfaction at Bata Shoe Company (Uganda) Limited?
3. What is the effect of stock identification on customer satisfaction Bata Shoe Company (Uganda) Limited?

# **1.6 Scope of the Study**

# **1.6.1 Content Scope**

The study used stock management as an dependent variable and the independent variables included, sales volumes for the particular period in question, customer satisfaction measured by using a scale of 1 to 5 or using conversion rates (Number of customers divided by effective transactions), Stock levels, Age of Stock, Value of stock at the time of the study and Lead time, profitability, market share, stock cover in weeks, and Rate of Return on Investment (ROI).

# **1.6.2 Geographical Scope**

The area of the research study was conducted in Bata Shoe Company (Uganda) Limited both using Central Distribution Centre (DC) and Bata Retail Stores as case studies. Bata Shoe Company (Uganda) Limited head offices are located on plot 92/94, 5th Street industrial Area, Bugolobi, Kampala Uganda. It is 10 kilometers from the City Centre of Kampala. It has been known for a long period of time as a large company dealing in good quality foot ware especially rain boots in Uganda.

# **1.6.3 Period Scope**

# The study considered information relating to the period of seven years (2013-2020) and the time was enough to provide more information for the study upon which conclusions and recommendations would be based. In the same period, a desk review of Relevant Stock and Inventory management Documents found at the Company was done to inform the whole exercise.

# **1.7 Significance of the Study**

The findings will assist the management of Bata Shoe Company (Uganda) Limited to improve on stock controls and inventory management and leverage the advantage from proper stock management in the organization.

The findings will also help other organizations to get an insight on how stock management impacts on organizational private performance.

# **1.8. Conceptual framework.**

The study conceptualized stock management as an important factor in market share of the firm (Naliaka & Namusonge (2015). The study analyzed the relationship between stock management and the independent variables identified in the study using the following diagram below;

**Independent variable(s)**  **Dependent variable**

**Stock management**

Sales

Efficiency

Flexibility

Experience

* Stock Planning
* Stock Allocation
* Stock Inefficient

**Source: Enock Gideon 2017**

**CHAPTER TWO**

**LITERATURE REVIEW**

**2.0 Introduction**

According to Stilwell (2012), a good literature review needs to indicate the different views, agreements, disagreements, and trends of thought on the topic of research and be accurately portrayed and acknowledged in the text. She further states that: A literature review needs to produce a conceptual framework, including philosophical stances and theoretical assumptions, key assumptions and theoretical problems or contradictions. It’s upon this basis the literature below is reviewed.

**2.1 Stock management**

According to Miller (2010), stock management involves all activities put in place to ensure that customers have the needed product or service. Stock management refers to keeping or maintaining the firm’s stock at a level that a firm will only incur the least cost consistent with other management’s set objectives or targets (Kadwo, 2016). McGraw/Hill, (2010) Practical methods based on sound mathematical theory are given for computing the average rate of demand and the maximum reasonable demand during a lead time. Moving averages, exponential smoothing, and averages with optimum weights are developed and described in detail, including the adaptation to secular trends, to abrupt changes in the market, and to seasonal patterns. The author clearly shows how the concept of the Z-transform can be applied to the analysis and solution of inventory control problems.

Furthermore, John F Kros, Jon F Kirchoff, Mauro Falasca (2018) Despite the calls for a deeper understanding of SCM in the healthcare industry, theoretical research focused on healthcare buyer-supplier collaboration, specifically inventory management issues, remains nascent and fragmented. In South Sudan, local businesses struggle to maintain the needed inventory for reasons before the scope of this research and, in many cases, customers walk away without making a purchase.

For the case of Bata Shoe Company (U) Ltd, replenishing and managing their stock to adequate levels to serve their customers is maintained at desirable levels by doing the following;

On a fortnight basis stock is physically counted in all operational stores and the central distributional centre. The data obtained from counting is processed and analysed to identify gaps for replenishment. Stock is sourced and shipped from various countries especially BSO sister companies among others, Kenya, Zimbabwe, South Africa, Singapore to Uganda, especially for depot stores and retail stores.

However, there is always a lag between when they place an order to when stock is finally delivered. For stock/purchases that take a relatively long-time lags, i.e., between 2-3 months to arrive in the country due especially delays at the border points among others. There is always stock reserved in the centre distributional centre to bridge the gap to avoid customer walk out and lost sales.

The main focus of this research is that during this time lag period, when is stock to arrive in Bata Shoe Company (U) Ltd, what are the avenues and planning tools that Bata Shoe Company (U) Ltd has put in place and whether these tools are helping in achieving customer satisfaction and controlling both overstock and understock positions.

**2.2 Customer Satisfaction**

Researchers have tried to define customer satisfaction and in general they have defined it as transaction process. Oliver (1981) defined satisfaction “as a summary of psychological state resulting when the emotion surrounding disconfirmed expectations is coupled with the consumer's prior feelings about the consumption experience" (pp. 24). Kotler (2000) defined satisfaction as: “a person’s feelings of pleasure or disappointment resulting from comparing a product perceived performance (or outcome) in relation to his or her expectations”. Others like; Hansemark and Albinsson (2004) “satisfaction is an overall customer attitude towards a service provider, or an emotional reaction to the difference between what customers anticipate and what they receive, regarding the fulfillment of some need, goal or desire. Balunywa (1995) defines customer satisfaction as a subjective feeling when a customer has used a product or service of an organization to feel positively satisfied as an indication that his desires and wants are fulfilled

Parasuraman et al., (1988) distinguish service quality and satisfaction: “perceived service quality is a global judgment, or attitude, relating to the superiority of the service, whereas satisfaction is related to a specific transaction”. Customer satisfaction as an attitude is like a judgment following a purchase act or based on series of consumer-product interactions (Yi, 1989).

Customers are life blood of every organization because most business organizations survive through the sale of products and services (Eddowes, 1991). Therefore, Customer satisfaction has a positive effect on an organization’s profitability. Customer satisfaction leads to repeat purchases, loyalty and to customer retention (Zairi, 2000). They will also tend to say good things and to recommend the product or service to others. On the other hand, dissatisfied customers respond differently. Dissatisfied customers may try to reduce the dissonance by abandoning or returning the product, or they may try to reduce the dissonance by seeking information that might confirm its high value (Kotler, 2000)

**2.3 Stock Management and Customer satisfaction**

Casandra Campbell 2016, Existing evidence regarding inventory-performance relationship is inconclusive. A perspective that this research seeks to stress in considering this relationship is that it might depend on organizational life cycle stage. The underlying assumptions of this argument are that organization’s strategies and relationships vary with its life cycle stage, organizations develop their own strategies to fit between inventory system and organizational settings, and design of inventory system is not a linear process, rather it is a dynamic process that emerges and evolves in response to the power and interests of the stakeholders. Econometric analysis provides support for this argument. Specifically, the results show that while inventory to sales ratio affects organization performance negatively in the initial growth stage and the maturity stage, it exerts a positive and significant coefficient on performance in either the rapid growth stage or the revival stage. An implication of these findings is that existing perspectives might need to be treated as complementary viewpoints, each of which comprises a part of the whole picture because depending on just one single perspective is likely to result in misleading conclusions about the whole structure

Dorothy Oballah, Esther Waiganjo, Wachiuri (2015) inventory investment and inventory records accuracy have a positive influence on customer satisfaction while inventory shrinkage has a negative effect on customer satisfaction of Kenyatta National hospital thus this study recommends that the hospital should ensure that losses resulting to inventory shrinkage related to medicines are reduced. This can be done by ensuring that inventory records are accurately kept. The hospital needs to manage its inventory investment by ensuring that the right amount of stock is kept at all times. Inventory/Stock management is another supply chain element that features prominently in empirical literature in relation to organizational performance

**2.3.1 Stock Planning and Customer satisfaction**

According to Fuller (2003), Stock planning is a scheduling procedure for production process that have several levels of production given information describing the production requirement of several finished goods of the system, the structure of the production system, the current inventory for each operation and the lot sizing procedures for each operation. The main function of Stock planning is to guarantee stock availability that is it used to serve requirements or orders on demand and in time both for internal purpose and for sale and distribution. Stock planning thus tries to strike the best balance possible between optimizing the service level and minimizing costs and capital lock up. (Grubbstrom, Robert W,2002).

In Bata Uganda, stock planning is normally guided by an open to buy (OTB) document which is prepared before any stock is purchased. This document shows a detailed analysis of what stock is available, sales achieved and forecasted stock to purchase.

As a result, focusing on the relationship between an organization stock planning and the customer is a means of having a successful inventory control strategy (Morgan, 2009) and therefore those organizations that can retain more customers by satisfying their better than competitor will have profitable products in the long run and not first in the short run. Oakland (1999) argues that it does not matter which type of organization you work in, a hospital, bank university, local government, airline, factory, competition will arise, competition for patients, customers, students, resources, passengers and funds respectively will arise. Very few people in most organizations remain to be convinced that effective stock planning is the most important competitive weapon where its management is learnt like any other skill, and in this case if proper stock planning is attained, the organization is bound to satisfy more customers orders and reduce chances of lost sales and be competitive in the market hence improvement in performance, reliability, delivery and a favorable price will prevail to customers and the organization

**2.3.2 Stock allocation and customer satisfaction**

Stock allocation involves reserving stock for the customer. Until stock is allocated to a sales order it is still available to sell and will be added to sales channels. Allocation removes the items from on hand stock, but leaves them in stock. Allocated stock can be expressed in the formula below; Allocated stock + on hand = In stock. This stock is allocated to satisfy a customer. In essence, [stock allocation](https://www.collinsdictionary.com/dictionary/english/stock-allocation) relates to all decisions made around how inventory should be distributed across the chain. By distributing inventory effectively across the chain, retailers ensure the right stock is available at the right time, at the right location. Essentially, an optimal inventory allocation will ensure that customer’s satisfaction is maximized and the opportunity to profit is fully exploited.

However, if the allocation strategy is not well aligned with overall business strategy, this can have a huge impact on the performance of the whole business. Some of the resulting issues are very visible such as empty shelves in some locations while other locations suffer from cluttered aisles and backrooms bursting with stock. However, a poor allocation can also have a profound impact on sales and margins as the business is hit with avoidable supply chain costs and missed sales opportunities, but more especially on the customer satisfaction and the image of the business to other competitors.

**2.3.3 Stock identification and customer satisfaction**

Better inventory management enables better customer satisfaction (Eckert, 2007). Customers are satisfied when suppliers fulfill their orders on time (Wilding ,2003). This makes channel partners keep buffer stocks to fulfill customer orders or enter into long term relationships which require commitment and trust (Wang,2002).

Commitment is the desire to continue a relationship and may be defined in three dimensions; inputs to it, its durability and its ongoing consistency (Wilson,1995, p.337; Mowen and Minor,1998). Stock identification for customers is the belief that a retailer cares and knows the global trends or promise is reliable and a party will fulfill its obligations in an exchange relationship. High levels of stock identification for customers that suit their needs leads to high levels of customer satisfaction (Andaleeb, 1996).

**2.4 Related studies**

Mogere, Oloko and Okibo (2013) conducted a case study on Gianchore tea factory to assess how inventory control systems affect operational performance in the tea industry. Using a structured questionnaire to collect data and regression analysis, the study found out that the use of material requirement planning, distribution planning, and vendor managed inventory had a positive influence on operations efficiency and by extension on organization performance.

Lwiki, Ojera, Muenda and Wachira (2013) examined how inventory management practices used in the sugar manufacturing firms impact on those firms’ financial performance. The study used both primary data and secondary data. Correlation analysis results revealed that inventory management impacted positively with both return on sales and return on equity.

Onchoke and Wanyoike (2016) analyzed the influence that inventory control practices used Agrichemical distributors operating in Nakuru Central Sub- County have on their procurement performance. The study used self- administered questionnaires that were dropped and picked. Regression analysis results revealed that inventory auditing, inventory security practices and computerized inventory control positively and significantly influenced procurement performance.

Mwangi and Wanyoike (2015) examined the role inventory management plays in the performance of companies engaged in food processing. using the descriptive research design and multiple regression analysis, the study identified production maintenance, cost control, recorded reduced loss and continuous supply as key elements of inventory management that play an important role in the performance of the food processing companies.

**2.5 Chapter summary**

It is noted from the above discussion that there is a strong correlation between Stock management and customer satisfaction. Improper stock management leads to delayed delivery and therefore lost sales and lower customer satisfaction.

Tersine (1982) stated that a customer cannot sit and wait for a delayed production when the competitor has the same products. A satisfied customer will buy inventory again and convince others to join hence increased customer satisfaction. Proper stock management increases the good reputation of the firm and its good will as it does not fall short of deliveries and its customers are happy about its practice(Balunywa, 2003)

**CHAPTER THREE**

**METHODOLOGY**

**3.0 Introduction**

This chapter presents the research methodology which include; Research design, study population, study area, study variables, instruments of data collection, data processing, administration of instruments, sources of data and data analysis.

**3.1 Research design**

The study used descriptive research design. This kind of research design aims at generating information after the incident has occurred. Descriptive research is both a [quantitative and a qualitative research](https://www.questionpro.com/blog/quantitative-research/) method that attempts to collect quantifiable information to be used for statistical analysis of the population sample. Descriptive research studies are generally [cross-sectional study](https://www.questionpro.com/blog/cross-sectional-study/) where different sections belonging to the same group are studied.

Descriptive research involves gathering data that describe events and then organizes, tabulates, depicts, and describes the data collection (Glass & Hopkins, 1984). It often uses visual aids such as graphs and charts to aid the reader in understanding the data distribution. Description emerges following creative exploration, and serves to organize the findings in order to fit them with explanations, and then test or validate those explanations (Krathwohl, 1993).

Qualitative approach included use of interviews, while quantitative approaches involved use of descriptive statistics generated with frequency tables, graphs, and Charts. These approaches were adopted to enable the researcher get and analyzed relevant information concerning people’s opinions about the stock Management and Customer satisfaction of Bata Shoe Company (Uganda) Ltd.

**3.2 Study Area**

The area of the study was Bata Shoe Company (Uganda) Ltd. Bata is located on plot 92/94;5th street industrial area, Bugolobi. It is 15 kilometers from Kampala city center. The company is a traditionally bricks and mortar retail footwear business. As at end of 2019, the company was operating 33(thirty-three) stores; with 24(twenty-four) stores classified as retail stores and 9(nine) stores classified as depot stores as per the company store classification criteria[[1]](#footnote-1)

The study will consider both retail and depot stores in data collection to better understand how stock management and customer satisfaction affect the sales of the company at Bata Shoe Company (Uganda) limited.

**3.3 Study population**

Study population is a complete set of individuals, cases or objects with some common observable characteristics. The study targets a total population of a hundred (100) Bata staff working in retail and depot stores as managers, sales assistants and head office staff especially those working in merchandising and central distribution (CD) or ware house and a random sample of fifty (50) Bata customers from the Bata Club members data base. The respondents will be staff of Bata Shoe Company (Uganda) Limited and its clients who directly purchase merchandise from its premises. The researcher involved all these categories in the study because the researcher believes that they possess the necessary study information.

The study population will include among others respondents from Human resource, procurement, Marketing, production and finance departments of the company as well as direct company clients that were selected during the study process.

**3.4 Sample size**

The target sample size is 150 respondents from the study area. The respondents will be selected as follows; respondent from 5 from merchandise, 20 store managers (9 depot and 11 retail stores), 55 sales assistants, 20 from ware house/store and 50 respondents who are the direct Bata Shoe Company (U) Ltd clients purchasing products from the company stores (both retail and depot stores).

The study targets a sample size of 150 respondents because as it is relatively large for the study to obtain information. The study determined the sample size of the respondents by using the following formulae.

P= (F/N) x n.

Where;

F= Number in the category

N = Total population.

P = Number of respondents in the category obtained from the group

n = Total number of the respondents

**Table showing target population and minimum expected sample size**

|  |  |  |
| --- | --- | --- |
| **Department** | **Target Population** | **Sampling Technique** |
| Store Managers | 20 | Purposive sampling |
| Merchandise Dept | 05 | Purposive sampling |
| Sales Assistants | 55 | Simple random sampling |
| Ware house | 20 | Simple random sampling |
| Customers (Bata Club Members) | 50 | Simple random sampling |
| ***Total*** | ***150*** |  |

**3.5 Sampling method**

The study used different sampling techniques to sample the required respondents. Simple random sampling and purposive sampling will be employed to select respondents from the target population. The sampling frame will be obtained from Bata shoe Company (U) Limited for both customers and staff. Simple random sampling involves arranging the population into either ascending or descending and randomly select elements one at a time with replacement or without replacement.

Simple random will be used in order to limit biases in sampling, and since data set is small it will be possible to ensure homogeneity and to improve the accuracy and quality of the data.

Purposive sampling is a non- probability sampling technique where units or elements are selected to participate in the study depending on knowledge and expertise.

The researcher employed simple random sampling in addition to purposive sampling technique during the process of data collection from the study respondents. The study used purposive sampling techniques because it is assumed to allow the researcher to select a sample with experience and knowledge about the study variables and this method was used to select staff in line departments.

**3.6 Data sources**

Both primary and secondary data were the main sources of data to be used in the study. Primary data are information collected by a researcher specifically for a research assignment. In other words, primary data are information that a researcher must gather because no one has compiled and published the information in a forum accessible to the public. Secondary data are the data collected by a party not related to the research study but collected these data for some other purpose and at different time in the past. If the researcher uses these data then these become secondary data for the current users. These may be available in written, typed or in electronic form.

The study used a questionnaire and interview guide to collect primary data from respondents. The researcher collected secondary information from different sources like; text books, internet, newspaper, magazines, and journals especially available at Bata Shoe Company (U) Limited and other local footwear businesses in Uganda.

**3.7 Data collection Methods**

The study employed various techniques during the process of data collection in order to fully understand the area under study and these were as follows;

(i). Questionnaire Method; The questionnaire tool was formed of both open ended and closed ended in nature and this was self-administered where the researcher allowed the respondents to fill the questionnaire in the study field as per respondents’ responses. The tool was used to collect information from respondents other than clients of the company. The questionnaire method of data collection was used because of being cheap and the method was hoped to collect responses with minimum errors and high level of confidentiality.

(ii). Interview guide Method; an interview guide was also drafted with a set of questions that the researcher asked during an interview and this was structured (close ended) in nature. The researcher personally recorded the provided responses as per the study respondents during the process of carrying out an interview.

(iii). Observation Method; Observation is a systematic data collection approach.  Researchers use all of their senses to examine people in natural settings or naturally occurring situations. Marshall and Rossman (1989) define observation as "the systematic description of events, behaviors, and artifacts in the social setting chosen for study" (p.79). Observations enable the researcher to describe existing situations using the five senses, providing a "written photograph" of the situation under study (Erlandson, Harris, Skipper, & Allen, 1993). Observation methods are useful to researchers in a variety of ways. They provide researchers with ways to check for nonverbal expression of feelings, determine who interacts with whom, grasp how participants communicate with each other, and check for how much time is spent on various activities (Schmuck, 1997). Participant observation allows researchers to check definitions of terms that participants use in interviews, observe events that informants may be unable or unwilling to share when doing so would be impolitic, impolite, or insensitive, and observe situations informants have described in interviews, thereby making them aware of distortions or inaccuracies in description provided by those informants (Marshall & Rossman, 1995)

**3.8 Study Variables**

The study was guided by the following three main study outcome variables; Stock Planning, Stock Allocation and Customer Satisfaction as dependent variables and stock management, sales per channel or type of store, flexibility and availability of stock and customer satisfaction rating as independent variables**.** Stock management was measured by the techniques used in the process of managing inventory such as; ABC-Analysis model technique, Trial and error technique, Two Bin System technique, Just in Time Purchasing Emerges technique, Materials requirements planning (MRP) technique, Integrated system technique, Material requirement points technique, Out purchasing systems technique, Determining order quantities and inventory levels technique, Inventory recording technique among others in addition to the skills of labour involved in the management of inventory. However, during the study, Customer was commonly measured by sales volume achievement, and productivity of the company.

**3.9 Data analysis and presentation.**

**3.9.1 Sorting**

Data was sorted and categorized according to objectives or research questions. This was hoped to promote information flow in report writing, relevant data was considered and irrelevant was ignored.

**3.9.2 Editing**

The collected data will be edited for accuracy, completeness. Editing will be done to find out how well the answered questionnaires were in line with consideration paid to questions and responses from interview guide answered by the study respondents

**3.9.3 Coding**

The edited data will be coded. Coding involves assigning numbers to similar questions from which answers were given unique looks to make the work easier. Both quantitative and qualitative techniques were used during data analysis.

**3.10 Ethical considerations**

The researcher obtained consent from all the respondents. The researcher observed extreme confidentiality while handling the responses.

**3.11 Limitations of the study**

The study major limitation will be funds to cater for transport and secretarial services.

However, the researcher worked hand in hand with the field supervisor to make the required information for the whole research process in time.

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**Study Questionnaire**

I am **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**a student pursuing Bachelor of International Business at Makerere University Business School (MUBS), Uganda and am currently conducting a study on your company. You have been selected as a respondent for this study because you are most suited to provide the data required. This is to request you to complete the following questionnaire, assured that the data you provide will be treated confidentially and used aggregately for academic purposes only. All information will be confidentially used for only academic purposes.

I thank you so much for your cooperation.

**Section A: Back Ground Information**

***Interviewer:*** *I am going to start by asking you some questions about yourself*

|  |  |  |  |
| --- | --- | --- | --- |
| **No.** | **Question** | **Response** | **Instructions** |
|  | Sex of respondent. | 1. Male 2. Female |  |
|  | Kindly indicate how old you are within this range?” **(Read the age ranges allowed and select appropriately)** | 18-to-28 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_1  29- to 39 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_2  40--to-50 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_3  51- to 61 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_4  62 and above\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_5  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Don’t know 88  Refuse to answer 99 | **(Read the age ranges allowed and select appropriately)** |
|  | What is your current marital status? | 1. Married 2. Living with a partner 3. Not in a union (single) 4. Widowed 5. Other (Specify)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_   99. Refuses to answer |  |
|  | What is the highest level of school you competed? | 1. Never Attended School 2. Primary School 3. Secondary School/Technical/Vocational Training 4. Tertiary/University   99. Refuses to answer |  |
|  | For how long have you been working at Bata Shoe Company (U) Ltd | 1. Less than 1 year 2. 1-2 years 3. 3 -5 years 4. 5-10 years |  |
|  | Which of following department do you belong to? | 1. Human Resource 2. Merchandising/Marketing/Procurement 3. Finance 4. Retail Department 5. Non- Retail Sales Department |  |

**Section B: Stock Management at Bata Shoe Company (U) Ltd, Uganda**

***Interviewer****: “I’m now going to ask you some questions on stock management at Bata Shoe Company (U) Ltd*

| **No.** | **Questions** | | **Response** | | **Instruction** |
| --- | --- | --- | --- | --- | --- |
|  | In your own opinion, how would rate stock management practices used at Bata Shoe Company (U) Ltd | | 1. More Efficient 2. Efficient 3. Not Efficient 4. Poor and Inefficient 5. Very Poor | |  |
|  | Do you think customers are satisfied and always get the stock they order on time | | 1. Yes 2. No | |  |
|  | If No in 1.8 above, what are the obstacles does JIT face in satisfying customers’ orders.  (\*\*\* Multiple Answers are allowed\*\*\*\*) | | 1. Long distance where stock is purchased 2. Poor transport means with in Uganda 3. High Taxes by Government 4. Delays at Border points 5. Long Lead times 6. Others specify\_\_\_\_\_\_\_\_\_ | |  |
|  | What can be done to improve stock management and satisfy customers at Bata Shoe Company (U) Ltd | | 1. In-house production of frequents items 2. More staff to handle different merchandise 3. Out-sourcing from other suppliers 4. Using EOQ models to plan stock 5. Others specify\_\_\_\_\_\_\_\_\_\_ | |  |
|  | Which of the following best explains stock controls and management procedures at Bata Uganda | | 1. Fortnight Stock Take(s) 2. Stock Regrouping Exercises on Daily Basis 3. Store Managers Ordering on what they want 4. Others Specify\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | |  |
| **Section C: Stock Planning & Allocation at Bata Shoes Company.** | |  | |
|  | **Stock Planning and Allocation** | | | | |
|  | What inventory allocation methods are used at Bata Shoe Company (U) Ltd  (\*\*\* Multiple Answers are allowed\*\*\*\*) | | 1. Panel stock allocation 2. Customer order basis 3. Pre-planning and stock replenishment 4. Ordering by the stockists 5. Others specify\_\_\_\_\_\_\_\_\_\_\_\_\_ | |  |
|  | Do you carry out stock planning and material resource planning? | | 1. Yes 2. No   88. Don’t Know  99. Refuse to Answer | | If **No, go to last section and end the interview** |
|  | If yes, in 1.13 above, how often do you do material resource planning and scheduling | | 1. Weekly 2. After Every fortnight 3. Monthly 4. Quarterly 5. Bi-Annual 6. Other Specify\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | |  |
|  | How do you rate Bata Shoe Company (U) Ltd Stock Planning and Allocation techniques | | 1. More Efficient 2. Efficient 3. Poor 4. Very Poor | |  |

**Section C: Stock Identification and Customer Satisfaction**

|  |  |  |  |
| --- | --- | --- | --- |
|  | What stock identification methods are being used at Bata Shoe Company (U) Ltd.?  (\*\*\* Multiple Answers are allowed\*\*\*\*) | 1. From Internet 2. According Customers’ needs 3. Customers order and we then order 4. Company policy of ordering 5. Others specify \_\_\_\_\_\_\_\_\_\_\_\_ |  |
|  | In your own opinion, how do you rate stock identification at Bata Shoe Company (U) Ltd | 1. Very Good 2. Good 3. Poor 4. Bad 5. Very Bad |  |
|  | Does stock identification have a relationship on Bata Customers satisfaction | 1. Yes 2. No |  |
|  | If No, in 1.18, explain briefly?  **(\*\*\*Various Answers are allowed\*\*\*)** | 1. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 3. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |  |

**Likert Scale Questions on Relationship Between Stock Management and Customer Satisfaction at Bata Shoe Company (Uganda) Ltd**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Please tell me whether you agree or disagree with the following statements and how strongly you feel?** | | | | | | | |
|  | ***Please place an X on the correct response***  ***( Only One Answer is Allowed)*** | **Strongly Agree**  **(1)** | **Agree**  **(2)** | **Neutral**  **(3)** | **Disagree**  **(4)** | **Strongly disagree**  **(5)** | **Don’t know/ Refuse to answer**  **(88)** |
| 1 | Good Inventory Management practices contribute greatly better service customer satisfaction of Bata Shoe Company (U) Ltd |  |  |  |  |  |  |
| 2 | Enough and available variety of stock items contribute greatly to the service delivery of Bata Shoe Company (U) Ltd |  |  |  |  |  |  |
| 3 | Good Inventory Managers contribute greatly to the service delivery of Bata Shoe Company (U) Ltd |  |  |  |  |  |  |
| 4 | Inventory management facilitates standardization of inventory movements and customer satisfaction |  |  |  |  |  |  |
| 5 | Inventory management results into efficient use of available warehouse space and stock allocation at Bata Shoe Company (Uganda) Limited |  |  |  |  |  |  |

**THANK YOU ONCE AGAIN FOR YOUR COOPERATION**

1. A store is classified as a retail and/or depot depending on a number of characteristics like; nature or type of merchandise sold; location of the store; target market/customers segmentation; price points offered to customers; and annual turnover among others. As an example; a Depot store(s) sell more of rain boots(gumboots), plastics and slippers in bulk to especially whole sellers in up country areas of Uganda; and are designed in a way not to compete with retail stores in terms of pricing of the products. [↑](#footnote-ref-1)