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EFFECTS OF IMPLEMENTATION OF ENTERPRISE RESOURCE PLANNING ON SUPPLY CHAIN PERFORMANCE IN THE MANUFACTURING SECTOR IN KENYA: A CASE STUDY OF UNILIVER KENYA LIMITED

BY

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A MANAGEMENT RESEARCH PROJECT PRESENTED IN PARTIAL FULFILLMENT OF THE REQUIREMENT FOR THE AWARD OF THE DEGREE OF PURCHASING AND SUPPLIES, SCHOOL OF BUSINESS, UNIVERSITY OF MOUNT KENYA

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ABSTRACT

The purpose of the study ought to investigate factors affecting ERP function in supply chain management in the manufacturing sectors in Kenya with special reference to Uniliver Company limited in Nairobi off Lusaka road. The study objectives were to determine how training, finance, infrastructure and information communication technology affects Enterprise Resource Planning in supply chain management in the manufacturing industry.

The researcher used descriptive research design because it was the most applicable as the problem will be defined specifically. Stratified random sampling was used to select a sample size of 60 respondents from a target population of 155 respondents. Stratified random sampling was used during sampling, as it was appropriate. The study was of more important to the management as this help them to know the factors affecting enterprise resource planning in supply chain management. Upon the completion of the study, the researcher had acquired knowledge skills. The researcher used questionnaires to collect data because majority of the respondents were literate and it was also convenient and cheap to use it.

Qualitative data was subjected to descriptive statistics such as calculation of frequencies and percentages then presented in form of tables, pie charts and bar graphs. Qualitative data will be presented in word phrase.

The findings of the study indicated that four major factors affect ERP in SCM in a manufacturing sector. From the findings 67% of the respondents indicated that ICT was a challenge on ERP in SCM, 78% of the respondents indicate finance as a challenge facing logistic in SCM, 80% of the respondents were of the option that infrastructure was a factor affecting logistic function in SCM while 56% of the total respondents indicated training as a factor affecting ERP in SCM.

It was therefore recommended that the organization should invest heavily on ICT in order to remain competitive in the business environment. More efforts should be put in to enhance the development and maintenance of infrastructure in the country because poor infrastructure hinders the growth of the country’s economy. The organization should ensure that staff training is done oftenly to update staff with the current knowledge. Finally the company should ensure that there is no mismanagement of funds in ERP function, the usage of every shilling should be accounted.