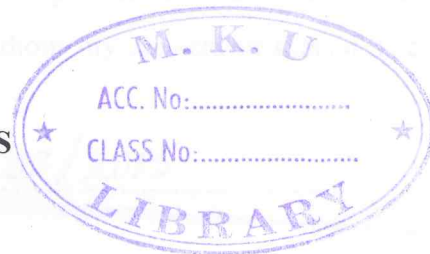


**ASSESSMENT OF MATERIALS MANAGEMENT SYSTEMS ON ORGANISATIONAL  
PRODUCTIVITY: A CASE OF NEW KENYA CO-OPERATIVE CREAMERIES LTD**

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## ABSTRACT

Globalization and intensive world-wide competition along with the technological advancements create an entirely new business environment for the manufacturing organizations. The general objective of the study was to assess the impact of material management systems on organizational productivity at New Kenya Co-operative Creameries Ltd. The specific objectives of the study were to: assess the contribution of just in time capability on organizational productivity, identify the role played by the elimination of excess inventory levels on organizational productivity and examine the contribution of continuous process flow on organizational productivity at New Kenya Co-operative Creameries Ltd.

In addition the study sought to examine the effect of cycle time compression on organizational productivity New Kenya Co-operative Creameries Ltd. This research utilized the case study design. It was a case study of the impact of material management systems on organizational productivity at New Kenya Co-operative Creameries Ltd. The population of study consisted of New Kenya Co-operative Creameries Ltd employees. Employees of the company included the senior, middle-level employees and the staff in all departments. There are a total of 930 employees. The sample was determined using stratified random sampling technique. A total of 186 out of a population of 930 New Kenya Co-operative Creameries Ltd employees were selected. This represents 20% of the total number of employees. Methods of data collection that were used involved both primary and secondary data. Primary data was derived from questionnaires distributed to the New Kenya Co-operative Creameries Ltd employees. Methods of data collection that was used involve both primary and secondary data. The data analysis included both qualitative and quantitative techniques. The qualitative data was summarized and categorized according to common themes and presented using frequency distribution tables. The findings indicate that cycle time compression and process integration which were as a result of material management systems led to New Kenya Co-operative Creameries Ltd productivity in relation to their manufacturing process.

The study findings indicated that majority of the respondents rated the impact of cycle time compression on organizational productivity to a high extent. The respondents stated that cycle time compression was used to strictly convex adjustment in costs and contributes to sustained competitive advantage. In summary material management systems the organization was able to create a strategic supplier partnership, customer relationship, information sharing, information quality, internal lean practices and postponement which are the core components of any organizational productivity. Other types of impact that were as a result of materials management systems leading to productivity were there were elimination of excess inventory levels, process improvement orientation, forecasting, resource planning and cost saving. This capability focuses on continuous improvement and improves on the organization return on investment, quality and efficiency. The study recommends that New Kenya Co-operative Creameries Ltd needs to put in place a broad research and development department to assist it in studying the local environment and internal environment specific factors which influence organizational productivity.