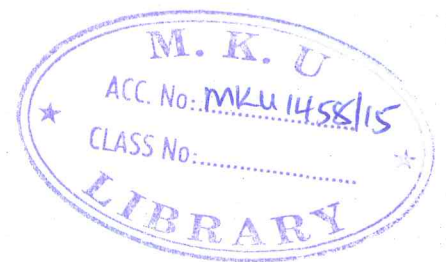


**AN ASSESSMENT ON THE FACTORS AFFECTING INVENTORY MANAGEMENT
PRACTICES ON PROCUREMENT PERFORMANCE IN MANUFACTURING SECTOR
IN KENYA**

(A CASE OF BAMBURI CEMENT COMPANY NAIROBI BRANCH)

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**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILLMENT OF THE
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ABSTRACT

The purpose of the study was to assess the effects of inventory on organizational productivity at Bamburi Cement Company Nairobi Branch. The objectives of the study were; to investigate the effects of outsourcing on service delivery at Bamburi Cement Company; to establish the effects of inventory on competitive advantage at Bamburi Cement Company; to find out the effects of inventory on cost reduction at Bamburi Cement Company and to assess the effects of inventory management at Bamburi Cement Company. A case study design was employed. The study targeted manager, 5 head of departments and 68 employees at Bamburi Cement Company. Stratified sampling and purposive sampling techniques were used to select 26 respondents. Questionnaire was used as data collection instrument and data was analyzed descriptively and presented in form of tables, frequencies and percentages.

The study found out that the presence of inventory enhances service delivery whereby it increases service delivery in the company, enhance high quality of service delivery and reduces the lead time on delivery of goods and services. It was pointed out inventory enhances competitive advantage in the company since it improves on supply of goods on time it improves in the acquisition process in the organization and It was reported that inventory is a very important in an organization especially on Bamburi Cement cost reduction where it improves in efficient and effectiveness use of resources hence minimizing wastage of resources. Inventory was found an important aspect on inventory management at Bamburi Cement since it helps in minimization of holding stocks hence reducing operation costs.

The study concludes that inventory is an important aspect on organization productivity since it increases service delivery, competitive advantage, cost savings and inventory management of the organization. The study recommends that the management needs to train the employees on the importance of inventory in order to be familiar with it and also how it impacts the company productivity; the procurement department needs to select good inventory techniques in order to increase the company performance and also have competitive advantage; the purchasing and supply management needs to select competent suppliers in order to increase quality service delivery to its customers and the management needs to make sure the inventory works in a conducive manner in order to enhance efficient and effectiveness use of resources.