AN EVALUATION ON THE EFFECTIVENESS OF INVENTORY MANAGEMENT TO SERVICE DELIVERY. A CASE STUDY OF CITY OF HARARE

MABETH CHIPIKA

B1128619

A DISSERTATION SUBMITTED IN PARTIAL FULFULMENT OF THE REQUIREMENTS FOR THE BACHELOR OF COMMERCE HONORS DEGREE IN PURCHASING AND SUPPLY OF BINDURA UNIVERSITY OF SCIENCE EDUCATION

30 OCTOBER 2014
Abstract

This study evaluates the effectiveness of inventory management to service delivery using a case study of City of Harare. The aim of this study is to evaluate and critically assess areas of lapses by the organization and suggest effective ways and resolutions in which City of Harare can explore the services of inventory management to effect its objectives. For the purpose of this study descriptive research design was used and a sample size of 63 was drawn from only those who are directly involved and affected by inventory management operations. Data was collected through questionnaires, interviews and existing literature to collect primary data and secondary data respectively. The key findings from the study revealed that the frequency of stock outs, long lead times and poor service delivery was due to bureaucracy and financial crisis. The study also revealed that lack of adequate qualified and well trained personnel hinders effective performance of inventory management. The researcher concluded that inventory challenges of stock outs are main as a result ineffective safety stock levels, inefficient stock forecasting and financial constraints. Additionally, there is no motivation among the employees due to the absence of training programs and interdepartmental coordination hence this result to poor service delivery. The researcher recommends that too much red tape; rigid rules and policies should be avoided and safety stock; maximum and minimum stock level should be established to curb for stock outs. Utilization of modern technology such as ICTs, training programs and engaging seminars; interdepartmental coordination among all the departments should be developed in order to achieve effectiveness inventory management, attainment of the corporate objectives hence better service delivery.