

EFFECT OF THIRD PARTY LOGISTICS PROVIDERS' SERVICES ON THE PERFORMANCE OF MANUFACTURING FIRMS IN NAIROBI CITY COUNTY

^{1*} Mgono Millie Mweresa ^{2*} Dr. Kepha Ombui ^{3*} Dr. Mike A. Iravo

^{1*}College of Human Resource and Development, Jomo Kenyatta University of Agriculture and Technology

P. O. Box 62000,00200 Nairobi, Kenya.

^{2*} College of Human Resource and Development, Jomo Kenyatta University of Agriculture and Technology

^{3*} College of Human Resource and Development, Jomo Kenyatta University of Agriculture and Technology

Corresponding Author email: dayomillie@yahoo.com .

CITATION: Mweresa, M., M., Ombui, K., Iravo, A., M. (2016). Effect of Third Party Logistics Providers' Services on The Performance of Manufacturing Firms in Nairobi City County. *International Journal of Human Resource and Procurement*. Vol. 5(5). PP 181 – 200

ABSTRACT

In globalized and highly competitive markets, organizations strive to be innovative and agile to meet customer demands. The highly competitive environments along with customers' demands for tailored products and services has forced companies to continuously evaluate, improve and reengineer their logistics operations. This research project examined the effect of third party logistics providers' services on the performance of manufacturing firms in Nairobi City County. This was achieved through fulfilling objectives which guided the research. The first objective was to determine the extent to which warehousing services influence performance of manufacturing firms in Nairobi City County. The second objective was to establish the effect of transport services on the performance of manufacturing firms in Nairobi City County. The third objective was to assess the influence of inventory services on the performance of manufacturing firms in Nairobi City County. The fourth objective was to determine the extent to which information management services affects the performance of manufacturing firms in Nairobi City County. The literature relating to the research was reviewed and a conceptual framework developed. Descriptive research design, specifically a survey study was employed in carrying out the research. The target population of the study consisted of a sample of logistics personnel of 45 manufacturing firms in Nairobi City County as sampled in chapter three. The research instrument was structured questionnaires that were self-administered to the key respondents. Secondary data was obtained from books available in the Companies. Data was analyzed using SPSS and presented in tables and charts. The respondent rate was 88.8%. On the demographic data, the researcher sought to investigate the age of respondent, 7.5 of the respondents were aged below 30 years, 45% of respondent were aged between the ages of 31 to 40. 42.5% of the respondents were aged between 41 to 50 while 5% were over 50 years of age. On the extent to which the Manufacturing firms adopted third party logistics services, the findings reveals over (70%) of the firms had adopted these services in their organizations in

Nairobi City County. This shows that the factors that are not covered amount only to 20%. It is therefore, means the four factors have a big role to play on the performance of manufacturing firms in Nairobi City County. The ANOVA result for all variables indicates that there was a highly significant relationship between the variables at $F = 2.729$ and $P = 0.000$. This implies that there is a strong relationship between the four variables and the performance of manufacturing firms in Nairobi City County.

Keywords: *Warehousing services, Transport services, Inventory services, Information management services, Manufacturing firms*

[Full Text PDF Format](#)