



Improving Inventory Management Practices at Mukwano Industries Ltd

Abstract

This study aimed at identifying current inventory management practices, established the factors affecting the effectiveness of inventory management practices, and ascertains measures that can be used to improve inventory management practices.

The research adopted a cross-sectional research design on a survey population which comprised of 339 with a sample size of 181 and this was from the factories and sections that handle inventory, to whom the questionnaires was administered. 173 responded giving the response rate of 95.6%. The study used document review, questionnaires and interviews as the major sources for gathering information.

The findings of the study indicated gaps in the inventory management process, highlighting factors like; suppliers are given improper information on raw materials in advance, the list of items to be produced are not reviewed regularly, there are no delays in while generating orders, staff are not aware of the various raw materials required in the production process, and that management ensures that quality, cost effective products are available in the right quantity at the right time.

Based on the results from data analysis and findings of the research, recommended that there is need for continuous improving inventory management practices to curb the gaps, management inventory team should provide proper record of the various inventory levels, the sales team should have a proper sales plan/ forecasting, safety stock levels should be calculated on a regular basis, management should ensure proper coordination of inventory among companies

(purchases, sales and warehouse), inventory team should use the most effective method to calculate safety stock levels, staff should be trained on various costs related to inventory, proper handling of inventory (Damages /theft) and the procurement team should have a proper records of the various suppliers (Data bank).