

LOGISTICS MANAGEMENT PRACTICES AND OPERATIONAL PERFORMANCE OF DISTRIBUTION FIRMS IN NAIROBI CITY COUNTY, KENYA

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ABSTRACT

Recent changes in business dynamics necessitate organizations to recognize the importance of strategically re-looking at their business processes. This has seen entrepreneurs and managers constantly coming up with effective management practices aimed at minimizing operational costs and at the same time boosting returns on their investments. Understanding this is very important in growing organizations as every part of the supply chain is essential for the profitability of the entire organization. The main purpose of this study was to examine the contribution of logistics management practices and Operational Performance of Distribution Firms in Nairobi County, Kenya. The specific objectives of the study were to determine the contribution of information flow on the Operational Performance of Distribution Firms in Nairobi County, and finally to establish the contribution of material handling and Operational Performance of Distribution Firms in Nairobi County. The metrics for measuring the organization's Operational Performance was: Order-to-delivery lead time, Quality & Customer Satisfaction, and Flexibility & Responsiveness. This study adopts the descriptive research design to obtain information about the study topic. The study's population comprises employees in the management, Procurement, Marketing, Warehouse, Distribution, Human Resources, and Transport logistics departments involved with logistics management practices and was selected using a stratified random sampling approach. The data was collected using a questionnaire and analyzed using descriptive analysis. Data analysis was done using multiple regression analysis to establish the relationship between the variables.

Key Words: Logistics Management Practices, Information Flow, Material Handling, Operational Performance, Distribution Firms, Nairobi County, Kenya

Background of the study

In the intensively competitive world, competition exists not only between organizations but also among supply chains. Schneller & Smelzter (2016) and White & Mohdzain (2019) expressed that supply chain management (SCM) plays a critical role as a key factor for an organization to gain a competitive advantage and improve its performance. In this study, the dependent variable was Operational Performance and it's referred to as dependent because any success of a supply network performance depends on different factors which are termed independent variables. The independent variables in this case are the core logistical practices which include storage (inventory management) functions, packaging, information flow, and transportation & distribution systems.

The current globalized and interconnected business environment has made organizations increasingly dependent on well-organized supply chains, which involve sophisticated logistics, as they develop and expand locally, regionally, or internationally (Kim, Lee, and Hwang, 2020). According to Shang, 2019, Distribution Firms encounter hurdles in today's operating environment, such as increased rivalry among enterprises and adapting to changing client needs, and thus require an effective supply chain.

Logistics management is the process of planning, implementing, and controlling procedures for the efficient and effective transportation and storage of goods including services and related information between the point of origin and the point of consumption to conform to customer's requirements and includes inbound, outbound, internal and external movements (Lambert & Stock). The commonality of the recent definitions of logistics is that it is the process of moving and handling goods and materials, from the beginning to the end of production, sales process, and waste disposal, to satisfy customers and add business competitiveness (Tseng, Yue, & Taylor, 2015). Closer integration of the logistics practices within the supply chain network within Distribution Firms in Nairobi City County increases the responsiveness to customer needs due to reduced lead times.

Statement of the Problem

Organizations are becoming more reliant on well-organized supply chains that require complex logistics as they grow and expand locally, regionally, or globally in today's globalized and linked economic environment (Gebisa, 2019). Because logistics is used to coordinate and arrange the safe, timely, reliable, and efficient transportation of resources and completed goods, it plays a vital role in supply chain management. Logistics provide a way of integrating the various activities in the supply chain to accomplish the intended SCP for the organization (Fernandes, Hassan, & Sridhar, 2022).

This study's context is Distribution Firms in Nairobi City County which are affected by the imbalances that occur during the implementation of its practices mainly caused by the prioritization of logistics activities that eventually affect the execution process. The effectiveness of the Operational Performance has decreased from 40% to 22% due to these imbalances occurring in different logistics management activities. Some of the imbalances can be pointed out, for instance; logistics service providers allocate resources to a particular section/department rather than the other hence influencing the operations of the other. The transportation and distribution sector, it has experienced the challenge of increased fuel prices causing fluctuations of prices and leading to customer complaints. In the process of increasing the efficiency of the logistics industry, the information flow management, the courier provider firm has experienced a challenge on wrong channel of communication used facilitating miscommunication between the customers and service providers.

Kopczak, 2001 stated that the vast majority of supply chains are losing up to 4 percent annually from inefficient execution of critical day-to-day processes emanating from low visibility of logistics practices and inconsistent standardization of logistics management practices. Despite

these imbalances, a lot of Distribution Firms are yet to optimize the necessary influence in logistics management practices to enhance the Operational Performance.

The logistics and Operational Performance field has attracted much research, but the available empirical studies have some gaps. A study in India by Gebisa (2019) determined that logistics practices, including transportation management, facility location, and use of information systems were vital for enhancing SCP. This research however, had a conceptual gap since it did not incorporate inventory management and warehousing management. The study by Muema and Achuora (2020), for example, investigated the influence of LMP's on SCP in manufacturing organizations in Kenya. The research results determined that Operational Performance was significantly influenced by transportation management, order processing management, inventory management, and warehouse management. This research, however, had a conceptual gap as it did not include packaging and logistics automation which are vital logistics components. Rapario (2019), on a study on cement manufacturers in Kenya, established that warehousing management, information flow management, and inventory management positively affected SCP. This research had a contextual gap since it only considered cement manufacturers and the findings may not be generalizable to Distribution Firms/companies. This research aimed to close these gaps by addressing the question, what is the impact of logistics on SCP of Distribution Firms in Nairobi City County, Kenya?

Objectives of the study

The general research objective is logistics management practices and Operational Performance of Distribution Firms in Nairobi City County, Kenya

Specific Objectives of the Study

- i. To determine the contribution of Information Flow on the Operational Performance of Distribution Firms in Nairobi City County, Kenya
- ii. To establish the contribution of material handling on the Operational Performance of Distribution Firms in Nairobi City County, Kenya

LITERATURE REVIEW

Theoretical Review

Resource-Based Theory

This theory was introduced by Wernerfelt (2014) and later enhanced by Barney (2011). The theory holds that resources available in a particular organization, both tangible and intangible are the ultimate sources of competitive advantage (Tukamuhabwa, Eyaa & Derek, 2011). The Resource Based Theory (RBT) puts more emphasis on inner competencies and weaknesses in organizational resources, showing how procedures are controlled and the resources are allocated and arrayed for the purposes of execution of various strategies (Wernerfelt, 2014 & Barney, 2013)

According to Barney (2013), in order to successfully implement logistics management practices resources, have to be strategic. The resource-based views an organization's elements such as structure, communication within a supply chain player trying to coordinate disseminated among them and assurance of the key actors in a firm management in order to fully ensure proper logistics management practices implementation (Barney, 2013). The effectiveness of firm best practices depends on the utilization and exploitation of existing resources to the extent that firms have pools of under used resources, these create unique, firm-specific opportunities for exploitation (Montgomery, 2014).

With the advancement in logistics and transportation strategies, organizational operations are well integrated (Seuring,2010). The theory proposes that companies involved in resource integration are granted more benefits. The impact these logistics management practices will have on the performance of the supply chain will however be limited to the available resources in the firm. This theory applies to this study as it looks at the management of information flow at Distribution Firms in Nairobi City County, Kenya in order to improve product delivery to customer's point of collection.

Network Theory

The network theory by Haakansson (2007) links an enterprise's logistics management practices with that of its supply chain partners to achieve more through joint efforts compared to individual efforts. According to Chen et al. (2017), network theory promotes relationships among firms by emphasizing the importance of special relationships among diverse companies, the enhancement of trust utilizing accommodating, sustainable, and constructive relationships, and the reciprocated integration of systems and routines through interlinked logistical processes. The fundamental emphasis of network theory is on network density, network connectivity, and transaction costs (Gebisa, 2019). This research employed this theory to determine how the logistic management practices such as packaging, information exchange and control are coordinated between the various supply chain partners and how this affects Operational Performance of pharmaceutical manufacturers. Rapario (2019) observes that the ease with which a logistics network can effectively provide services to the firm may be connected to trust between the departments and partners, linkages in the practices and information exchange and control in the supply chain network. Furthermore, expanding connectedness in a logistic network tends to minimize average trip length, bringing logistics partners closer together and making them feel more connected (Kim et al., 2020). Furthermore, connection alters the way the logistics system interacts and operates with the design and administration systems.

Conceptual Framework

Young (2009) asserts that a conceptual framework is a diagrammatical representation that demonstrates the relationship between dependent variables and independent variables. In this study, the conceptual framework includes independent variables identified such as information flow, and Material handling, and on the other hand, Operational Performance is the dependent variable as shown in Figure 2.1 below

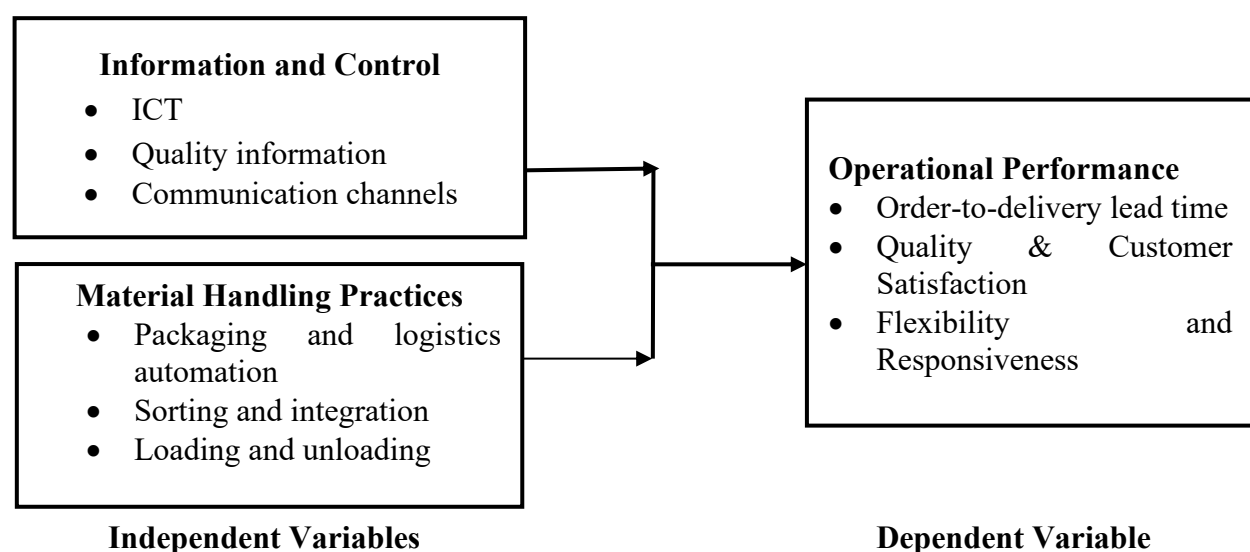


Figure 1: Conceptual Framework

Information Flow Practices

Information is crucial to Operational Performance because it provides the foundation on which supply chain processes execute transactions and managers make decisions. Without information, a manager cannot know what customers want, how much inventory is in stock, and when more products should be produced or shipped. The quality and quantity of information or important attributes that need to be stressed in information flow management, Monezka et al., (1998) define information sharing as the level of information that is been communicated to the supply chain members or partners which is critical and proprietary. Information flow in any supply chain helps to coordinate the physical flows and the interdependencies among the organizations in the supply chain (Shah, 2009). The extent of information sharing in a supply chain is expanding and even the possibility of sharing information among competitors has been discussed (Lee & Whang 2000). Sharma and Bhagwat (2006) argue that the flow of information in an organization is the blood life of any business operating unit irrespective of its size.

Information flow management contributes ultimately to the Operational Performance as it ensures that all the organs of an organization receive the required information to undertake its operations. An organization should lay down the right channels to ensure that quality information is transferred from the top management to the sub-ordinate staff in business entity. Quality of information sharing encompasses the accuracy, timeliness, adequacy and the credibility of the information shared (Moberg et al., 2002). There is possibility of information to be distorted as orders are passed along the chain. To reduce information distortion and improve the quality of information shared, information shared has to be as accurate as possible and organizations must ensure that it flows with minimum delay and distortion. Information flow further contributes to heightened Operational Performance through the integration of ICT in its operations. Daugherty (1995) points out that the benefits of the use of information technologies in ensuring a firm such as Wells Fargo & Fargo Courier Ltd, Nakuru attain immensely competitive advantage/ edge due to its ability to centralize and share information and data required in formulation and implementation of strategic planning.

Firms uses modern technologies in various logistical processes so as to attain and gain more visibility in its entire supply chain networks and also track the movement of various inventories, trucks, and identification of lots as well as seamlessly linking both supply chain upstream and downstream levels (Shi et al.2011). The adoption of information technology in logistics management such as RFID, GPRS wireless networks, and sensors has enabled these organizations/firms to have accurate information through real-time tracking of trucks in transit or late deliveries resulting in unmonitored movements and inventories (Bardaki, & Pramadari, 2011). The application of computerization brings out vibrant responsibility in manufacturing firms' process maximization with technology considered to play a main part in enhancing the effectiveness of the entire supply chain. This is attained through the use of different technologies such as Global positioning networks and vehicle trucking devices or prized software which can be implemented throughout logistical management practices (Zhang, Goh, & Meng, 2011).

Material Handling Practices

Material handling plays a critical role in the performance and efficiency of supply chains. It encompasses the movement, storage, control, and protection of goods throughout their lifecycle, from raw materials to final delivery. Effective material handling directly impacts Operational Performance in areas such as cost efficiency, lead time, and customer satisfaction. By ensuring the efficient movement, storage, and management of goods, material handling enhances various aspects of supply chain operations, from cost control to customer satisfaction. Below is an overview of the key aspects of material handling and its influence on Operational Performance. Proper material handling systems reduce delays and redundancies in the

movement of goods within warehouses and across distribution centers. Automated material handling systems, such as conveyors, forklifts, and Automated Guided Vehicles (AGVs), minimize human intervention, increasing speed and accuracy. Effective handling reduces cycle times, from receiving and storing goods to order picking and dispatch. Shorter lead times, faster order fulfillment, and increased supply chain throughput. Optimized workflows reduce labor requirements and energy usage, directly cutting operational expenses.

Technologies like RFID and barcode scanners provide real-time tracking of materials, enhancing inventory accuracy and control. Vertical storage solutions and dynamic shelving improve warehouse capacity without expanding physical space. Better stock availability, reduced waste, and efficient use of warehouse space.

Adaptive material handling systems allow for quick adjustments to changing demand, product mix, or customer requirements. Modular material handling systems enable businesses to scale operations during peak seasons or expand capacity as the business grows. Enhanced ability to meet market fluctuations and customer demands. Ergonomic equipment and automated systems reduce workplace injuries. Proper handling practices ensure adherence to standards related to hazardous materials, food safety, and product integrity. Safer working conditions and reduced liability risks.

Automation and smart systems optimize resource usage, contributing to greener supply chain operations. Aligns logistics operations with sustainability initiatives, improving corporate responsibility. Material handling technologies collect and analyze data on product movement, enabling strategic improvements in supply chain design. Seamless integration with Warehouse Management Systems (WMS) and Transportation Management Systems (TMS) supports and facilitates informed decision-making and long-term supply chain planning.

Material handling, as a logistics management practice, directly influences Operational Performance by enhancing efficiency, reducing costs, and improving customer satisfaction. By leveraging advanced technologies, sustainable practices, and robust systems, businesses can achieve a competitive edge in their supply chain operations.

Operational Performance

Operational performance relates to the firm's capabilities to more efficiently produce and deliver products to customers. It refers to the strategic dimensions by which a company chooses to compete (Narasimhan, 2001). There seems to be a universal agreement in literature that quality, delivery, flexibility, and cost are the core and most often mentioned operational performance areas.

With regard to cost, customers' support for product acquisition facilitates product return for recycling processes of manufacturers.

Quality refers to the ability of product or service to consistently meet or exceed customer expectations. Quality means getting what you pay for. In terms of quality, logistic management with customers led to product-based performance in the form of conformance to specifications and durability. Vachon and Klassen (2008) found that logistical management cooperation with customers is significantly and positively associated with greater quality improvement. If quality performance is manufacturing's primary strategic objective, then logistic management with customers can offer a further synergistic mechanism to achieve competitive quality gains (Vachon & Klassen, 2008).

With regard to flexibility and delivery, Vachon and Klassen further identified a positive relationship between logistic management with customers and flexibility, but environmental cooperation with customers becomes insignificant when upstream collaboration is introduced in their model.

Companies should integrate environmental aspects into both product and process design in order to respond to customer demand (Pagel, & Krause, 2002). Logistic management with customers helps firms to integrate technological organizational innovations, thus providing for simultaneous improvements in operational performance. Environmental cooperation with customers usually generates benefits in terms of cost, quality, flexibility and delivery/time (Klassen & Vachon, 2003).

Empirical Literature Review

Mugo (2013) investigated the logistics and transportation of mobile service providers in Kenya. The study sampled all the mobile phone companies in Kenya with the descriptive statistics being used in the analysis. The study established that logistics aid the efficiency of operations by enhancing business activities, reducing aggregate costs minimizing business risks, and enabling companies to gain a competitive advantage. The study findings may be used in explaining the impact of logistics management practices such as information flow management of Distribution Firms in Nairobi City County, Kenya. Hyvonen (2017) conducted a study on the logistics in Finland firms. Descriptive statistics was used in data collection and analysis. The findings of the study were that when information technology is applied to logistics management, it results in increased sales and customer satisfaction. The study, however, was not able to establish the contribution of the other practices of logistics management on the Operational Performance other than information flow management.

Vijayaragha and Raju (2008) conducted a study on the contribution of transport and distribution on Operational Performance, taking the case of Indian firms. The study analyzed ten years to determine any significant changes before and after the implementation of transport and distribution practices. The findings of the study revealed that there was a positive relationship between transport and distribution capabilities and the performance of the firms. This study will aim to determine whether the same positive relationship exists of Distribution Firms in Nairobi City County, Kenya.

Kiraga (2014) conducted a study on the transportation at the humanitarian organizations in Kenya. The population is comprised of all the humanitarian Distribution Firms that make appeals for assistance and are involved in the distribution of the aid received to the intended beneficiaries. The study concluded that any set of performance metrics should represent performance indicators in the logistics chain, include financial and control elements, distinguish between different levels in the organization, indicate the relationship between logistics functions, and be capable of use as a calculation model to obtain quantifiable results. The exact logistics management practices were however not identified in this study.

RESEARCH METHODOLOGY

The study employed a descriptive research design to examine the contribution of logistics management practices on operational performance among distribution firms in Nairobi City County. This design enabled the study to systematically describe existing practices and performance outcomes using both quantitative and qualitative approaches, allowing for structured analysis through questionnaires and secondary data sources (Mugenda & Mugenda, 2004). The target population comprised 37 registered distribution firms in Nairobi City County, with four logistics-related management staff sampled from each firm (transportation, packaging, warehousing, and inventory management), resulting in 148 potential respondents. Given that the population was below 200, a census approach was adopted to enhance representativeness and minimize sampling error, as recommended for small populations (Easterby-Smith et al., 2019).

Primary data were collected using semi-structured questionnaires administered through drop-and-pick and electronic platforms (Google Forms), while secondary data were sourced from

journals, books, and online materials. A pilot study was conducted to test clarity, reliability, and suitability of the instruments. Data analysis was performed using SPSS version 28, applying descriptive statistics (means, frequencies, percentages, standard deviations) and multiple regression analysis to determine the effect of information and control, and material handling on operational performance. Results were presented using tables and pie charts.

RESEARCH FINDINGS AND DISCUSSION

The study sought to determine the response rate of the study. The total number of questionnaire forms that were administered was 148. A total of 111 forms were filled. This represented an overall successful response rate of 75%. According to Render et al (2012), a response rate of 50% or more is adequate for a descriptive study. Therefore, a response rate of 75% was good for the study.

Descriptive Findings and Analysis

This part provides the results of the descriptive analysis carried out by the study, consisting of percentages, mean, and standard deviation. The findings were presented according to each objective.

Information Flow

The study sought to influence of Information Flow on the operational performance of distribution firms in Nairobi City County. The respondents were asked to indicate the extent to which they agree with the statement on Information flow based on a Likert scale where Strongly agree -5, Agree -4, Moderate -3, Disagree -2, Strongly disagree -1. The results of the study were as shown in Table 1. From the results, the respondents agreed that the firm has reduced the cost of desegregating the information through the integration of ICT (M=3.807, SD= 0.964). In addition, the respondents agreed that the firm has proper flow of the required information from the organization's top management to the subordinate staff (M=3.768, SD= 0.718). Further, the respondents agreed that the firm has sufficient availability of proper communication channels within the organization (M=3.744, SD= 0.888). In addition, the respondents agreed that the firm the quality of information is very high in the organization (M=3.677, SD= 0.690).

Table 1: Information Flow

	Mean	Std. Deviation
The organization has reduced the cost of desegregating the information through the integration of ICT	3.807	0.964
Proper flow of the required information from the organization's top management to the subordinate staff.	3.768	0.718
Availability of proper communication channels within the organization	3.744	0.888
The quality of information is very high in the organization	3.677	0.690
Aggregate	3.732	0.815

Material Handling Practices

The study sought to influence of material handling practices on the performance of distribution firms in Nairobi City County. The respondents were asked to indicate the extent to which they agree with the statement on material handling practices based on a Likert scale where Strongly

agree -5, Agree -4, Moderate 3, Disagree -2, Strongly disagree -1. The results of the study were as shown in table 2. From the results, the respondents agreed that their distribution company has reduced the cost of material handling by putting in proper systems ($M=3.955$, $SD= 0.658$). In addition, the respondents agreed that the firm has a proper flow of the inventory occasioned by packing and logistics automation ($M=3.916$, $SD= 0.748$). Further, the respondents agreed that the firm manages loading and unloading during material handling ($M=3.906$, $SD= 0.814$). In addition, the respondents agreed that the firm's effectiveness in sorting and integration during material handling ($M=3.826$, $SD=0.998$).

Table 2:Material Handling Practices

	Mean	Std. Deviation
The organization has reduced the cost of material handling by putting in proper systems	3.955	0.658
Proper flow of the inventory occasioned by packing and logistics automation	3.916	0.748
How the Distribution firm manages loading and unloading during material handling	3.906	0.814
The effectiveness of sorting and integration during material handling	3.826	0.998
Aggregate	3.878	0.805

Operational Performance of Distribution Firms

The study sought to establish the operational performance of distribution firms in Nairobi City County. The respondents were asked to indicate the extent to which they agree with the statement on operational performance based on a Likert scale where Strongly agree -5, Agree -4, Moderate -3, Disagree -2, Strongly disagree -1.

The results of the study were as shown in Table 3. From the results, the respondents agreed that heightened response time to the customers ($M=3.904$, $SD= 0.976$). In addition, the respondents agreed that through our logistics management practices, the organization makes continuous efforts to collect customer input, which allows product enhancement and service improvement ($M=3.847$, $SD= 0.612$). Further, the respondents agreed that Logistics management practices enable the firm to have reduced delivery time ($M=3.699$, $SD=0.822$). The respondents also agreed that logistics management practices to ensure that all the products it delivers satisfies all customer requirements for both safety and quality($M=3.601$, $SD= 0.505$). The majority of the respondents agreed with the statements on performance as shown by a mean of 3.762. The responses given by the respondents had little variation (standard deviation=0.729).

Table 3:Operational Performance of Distribution Firms

Statements	Mean	Std. Deviation
Response time to the customer	3.904	0.976
The organization makes continuous efforts to collect customer input, which allows product enhancement and service improvement.	3.847	0.612
Reduced delivery time	3.699	0.822
Every product we deliver satisfies all customer requirements for both safety and quality.	3.601	0.505
Aggregate	3.762	0.729

Correlation Results

The study carried out correlation tests to determine the relationship between the independent and dependent variables. Pearson correlation, which ranges between -1 and +1, was used because the data were discrete. A positive Pearson correlation value indicates a positive relationship, while a negative Pearson correlation value indicates a negative relationship. The association between the variables becomes stronger as the Pearson correlation value approaches either +1 or -1. The results of the correlation analysis are shown in Table 4.

Material handling practices have a small, positive, significant correlation with the operational performance of distribution firms in Nairobi City County, Kenya ($r=0.167$, $p=0.038$). This implies that change in Material handling practices would predict slight changes in the performance of distribution firms in Nairobi City County, Kenya. Findings support Sanghal (2021), who found that long-run price enhances automation and integration of packaging and sorting affects the performance of distribution firms. Information flow has a strong positive significant correlation with the performance of distribution firms in Nairobi City County, Kenya ($r=0.707$, $p=0.000$). This implies that change in Information flow would predict great changes in the performance of distribution firms in Nairobi City County, Kenya. Results are in support of Juan and Martinez (2022), who showed that the firm's management can create value through the proper flow of information.

Table 4: Correlation

		Operational Performance	Material handling	Information Flow
Operational Performance	Pearson Correlation	1		
	N	140		
Material handling	Pearson Correlation	.167**	1	
	Sig. (2-tailed)	.038		
	N	140	140	
	Pearson Correlation	.707**	.764	1
Information Flow	Sig. (2-tailed)	.000	.000	
	N	140	140	140

**. Correlation is significant at the 0.05 level (2-tailed).

Regression Analysis

The study computed a regression analysis to test the effect of independent variables on the dependent variables. The coefficients were used to fit a regression model. From the findings in Table 5, the regression model was fitted.

Table 1: Coefficients

Model	Unstandardized		Standardized	t	Sig.
	Coefficients		Coefficients		
	B	Std. Error	Beta		
(Constant)	5.425	.382		14.193	.000
Information Flow	.496	.166	.477	2.990	.003
Material handling practices	1.139	.168	.872	7.981	.000

a. Dependent Variable: Operational Performance

The coefficients were used to fit regression model. From the findings in Table 4.12, the following regression model was fitted.

$$Y = 5.425 + 0.496 X_1 + 1.139 X_2$$

Where Y is the dependent variable (performance); X_1 is Information Flow; and X_2 is Material handling practices

Information flow shows a statistically significant positive coefficient ($\beta = .496$, sig = .000), indicating that improvements in Information flow result to greater changes in performance of distribution firms in Nairobi County. Findings concur with Anichebe & Agu (2021) that proper communication channels, quality information had a significant effect on productivity of an organization and there was a strong positive correlation between Information flow and profitability of an organization.

Material handling practices shows a statistically significant positive coefficient ($\beta = 1.139$, sig = .000), indicating that improvements in material handling practices result to greater changes in operational performance of distribution firms in Nairobi County. Results show that demand forecasting has the most significant influence on performance of distribution firms. Results are in agreement with Maalim (2022) that improvements in product management and handling can increase customer satisfaction.

Conclusion

the study concludes that accurate Information flow can positively impact the performance of distribution firms. The study findings revealed that information flow has a significant positive influence on the performance of distribution firms in Nairobi City County.

Therefore, the study concludes that accurate material handling can positively impact the performance of distribution firms. The study findings also revealed that material handling practices have a significant positive influence on the performance of distribution firms in Nairobi City County. Therefore, the study concludes that the adoption of material handling as a logistics management practice can positively impact the operational performance of distribution firms.

Recommendations

The study findings showed that information flow as a positive and significant influence on operational performance of distribution firms. The study recommends that management should oversee ICT, and clear communication channels to enhance logistics management practices. Further, there is a need to improve quality information this would significantly affect the performance of distribution firms.

The study recommends that the management of distribution firms in Nairobi City County as well as other organizations need to consider investing in material handling practices to improve performance. Material handling practice was found to have positive and significant influence on performance of distribution firms. Material handling practices greatly cuts costs in the long run hence a need to invest more resources in implementing material handling practices to improve organizational performance.

Areas for Further Study

The idea of logistic management practices which is a concept from supply chain performance is complex and involves network of companies in process of producing and delivering final product. It can therefore not just be covered in one study. Future research can expand on this domain of supply chain performance by considering additional dimensions such as geographical proximity and cross-functional coordination.

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