# Effects of Warehousing Management on Organisational Performance: Case of Africa Global Logistics Rwanda Ltd

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Abstract:- The research's overall objective was to examine effects of warehousing management on organizational efficiency; a case of Africa Global Logistics, Rwanda Ltd. The specific objectives are; to determine the effect of order picking on organizational efficiency, to assess the effect of inventory tracking measures on organizational efficiency, to investigate the effect of automated and retrieval inventory control system on organizational efficiency and to analyse the effect of material handling on organizational efficiency. In order to achieve these objectives, the researcher used a descriptive and correlation research designs. In this research, the researcher further considered a sample size of 96 respondents from selected department at Africa Global Logistics, Rwanda Ltd. To select them, the used stratified sampling Ouestionnaire was use to collect the data of this research and data were analyzed using the mean, standard deviation as well as the correlational and regression analysis. High R Square (Coefficient of Determination): The R Square value of 0.908 indicates that approximately 90.8% of the variance AGL's performance can be attributed to the predictors considered in the model. This high percentage validates our previous discussions regarding the substantial influence of warehouse management practices on overall efficiency. Adjusted R Square and Generalization: The Adjusted R Square value of 0.623, while slightly lower than the R Square, indicates that around 62.3% of the variance is genuinely explained by the model's predictors after accounting for factors like the number of predictors and sample size. This resonates with our earlier emphasis on creating a model that can generalize well to new data and avoid over fitting. This study therefore highlights the intricate relationships between warehousing management and organizational performance at the AGL. The alignment findings with existing research reinforces the importance of practices such as communication, inventory tracking, and material handling in driving performance. By implementing the researcher's recommendations, AGL can further elevate their organizational efficiency and continue to deliver exceptional service to their customers. Based on these findings, the study offers the following recommendations to AGL for enhancing organizational performance; wihile the impact of order picking on organizational efficiency was statistically significant in this study, AGL

should still continue on the path of regular evaluations and refinements of their order picking processes to identify potential performance gains.

**Keywords:-** Warehouse, Management and Organizational Performance.

### I. INTRODUCTION

The world is on a highly competitive advantage global marketplace through development of efficient warehousing strategies, to be able to withstand the pressure of delivering quality products in favourable conditions, and services to organizations to result in efficiencies, as well as creating a conducive and valuable satisfaction to their respective clients across the world. Nowadays, warehousing management is regarded as the important collectively used in the logistics systems that is responsible to accommodate the stored products which including materials, consumables raw materials, parts, equipment, goods in process and finished goods, in this light, warehouse acts as the service providers of the respective logistical products. The scenario movement takes in account from the point of origin to the point of respective destinations as the final consumers. Warehousing can be provided by either warehouses or distribution centers (Emberson, 2016).

In the United States of America, organizations such as Argos have adopted warehouse management practices to improve its logistics performance. In South Africa companies such as Value logistic, Dangote Cement and Transnova Africa have adopted warehouse management practices to improve their logistics performance (Tompkins, J.A., White, J.A., Bozer, Y.A., and Tanchoco, J.M.A., 2021).

In sub-Sahara Africa, warehouse plays an important role in meeting consumer demands in today's business world. It serves as a key source of competition, determined by whom, with better cost efficiency, and versatility, can produce goods faster. In this respect, managers must have detailed understanding of warehousing and how it affects the entire supply chain, (Richards, 2017). Trappy *et al.*, (2017) have explained that the upgrading of warehouses can be measured by the accuracy and speed of meeting demands, the decrease in non-value-added functions, and effective management. Another concern is the information integration

that consists of key functions for inventory updates, order management, and product tracking.

In Kenya, Warehouse management have been impacted by Many business organizations that spend a lot of resources installing warehouse management systems with the aim of minimizing their total operating costs, and enhance service delivery to customers. Many Institutions within East African Community (EAC) have trouble resulting from operating losses and cash flow problems. Quite often, piles of obsolete stock are seen within the premises of these institutions, resulting in huge write offs eating into the bottom line of these institutions. Many a times, stock outs are also experienced resulting in high customer turnover and therefore low sales and poor service delivery to customers. Stock control normally becomes reportable issues (condition) and is always raised in the management letters to many institutions where very little attention is given in the management of inventories as records are inadequate thus the entire warehouse management system seems to have failed (Lizardo & Jagob, 2014).

Rwanda clearing and forwarding companies face a number of warehouse management challenges related to mismanagement and high logistics costs ( (ADR, 2012). For instance, Gorilla Logistics Limited is the regional market leader in the logistics industry in international parcel, express, air and ocean freight, road and rail transportation, contract logistics and international mail services to customers. It has integrated technology into systems to serve clients with utmost efficiency for customers to check shipment movements themselves in real-time. For instance in the year 2020 Gorilla Logistics cleared 987 air freight,549 ocean freight 68 road freight and 174 cargoes by rail freight and the company has 49 clients and partner who they work (Gorilla logistics, 2020). In addition, Rwanda pay RWF 12 per kilogram shipping and shortage of consignment but Gorilla has reduced the rate of RWF 8 per kilogram and payment is done 15days from when the invoice is issued. (Newtimes, 2012) reported that congestion is majorly caused by delays in collection of goods and cargo by owners hampering logistics operations. This problem in addition to others has continued to threaten the conduct of logistic operations of the company for a number of years.

# A. Problem Statement

Many factors were identified to affect the productivity level and overall warehousing operational activities including; infrastructure, warehouse layout design (architectural, location, and arrangement of stock), working environment, availability of material handling equipment, lack of documented warehouse operation management guidelines/ stock keeping unit warehouse management system, lack of pharmaceutical warehouse operation performance metrics/ Key Performance Indicators (KPIs) ((Yezid,Alene, Berhanu, Mahammed, Hailu,Teklay,Tewodros; Ayele,, 2019).

Bekele (2018) emphasized that human resource management is also a very critical component of a successful warehouse management function in which a lack of adequate knowledge and skill in warehouse management operations were the major determinant factors for many of the problems faced in the warehouse operations.

Drawing clue from perspectives as expressed by the various scholars as stated above, it is observed that the critical challenges confronting warehousing management in a bid to achieving organizational efficiency can be viewed from both managerial and operational standpoints. Chief among the many hurdles include but not limited to; deviation or poor handling of order picking, weak inventory tracking measures, inventory control system (automated and retrieval). improper care in handling sensitive materials/inventories. Other areas of graved concerns are; unskilled warehouse personnel, inefficient space utilization, warehouse setup mistakes, among other things. These gaps in warehouse management merit keen consideration of which the researcher seeks to address in conducting the study on Effects of Warehousing Management on Organizational Performance, taking the context of the Africa Global Logistics, Rwanda Ltd.

## B. Objectives of the Study

This study paper has a general objective and specific objectives.

### ➤ General objective

To examine effects of warehousing management on organizational performance: A case of Africa Global Logistics, Rwanda Ltd.

- > Specific objectives
- To determine the effect of order picking on organizational performance at AGL
- To assess the effect of inventory tracking measures on organizational performance at AGL
- To investigate the effect of automated and retrieval inventory control system on organizational performance at AGL
- To analyse the effect of material handling on organizational performance at AGL.

### C. Hypotheses

This study verified the following hypothesis:

H<sub>1</sub>: Order picking has a positive effect on organizational performance

 $H_2$ : Inventory tracking measures has a positive effect on organizational performance

**H**<sub>3</sub>: Automated and retrieval inventory control system has a positive effect on organizational performance

**H**<sub>4</sub>: Material handling has a positive effect on organizational performance

### II. REVIEW OF LITERATURE

# A. Concept of warehouse management

Warehouse is a place designated for handling and storage of products and other related resources. It serves as pivots of goods movement and flow of information between suppliers and receipts (Anteneh, 2017) From perspective view warehouse as a typical commercial facility for storage

costumers' items and other related raw materials (Belayhun, 2016). According to (Faber , N., De Koster, M., Smidts, A., 2013) warehouse management encompassing plans, monitors, and optimizes material flows.

The warehouse management is reasoned to be responsible forproducts encompassing transportation and production; that isquantity purchase discounts and forward buys; a source of supply; firm's customer service policies; to support the just-in-time programs of suppliers and customers; a mix of products rather than a single product on each order; to provide temporary storage of materials that will be disposed of or recycled; and to provide support for the firm's customer service policies (Faber, 2015)

Oder picking encompasses the grouping and scheduling of customers purchasing orders, allocating stocks to respective orderliness, picking items from stores and dispatching items in designated locations under the warehouse processes that governs the assortments and collections of offers ordered numbers in stock keeping unit (SKU). This encompasses of lifting, moving, picking, putting, packing, and other related activities (Shiau, J., & Lee, M., 2010).

Tracking and inventory management is the business system, setup or an application of controlling the goods from the point of origin up to the point of customers buy volumes of their choice and take them away with their originality. To hold right amount of inventory in the business, there should be a system to track and control the inventory within the warehouse for instance, there should be signal, bar code or Universal product code system where by each item is labelled to enable a reader reads information about the particular item and this in business helps in monitoring the movement of goods by tracking where it is, , locationlabelled with price to sell, the labelled goods with QRthis is read by scanned system as they are sold from warehouse through computerized system enable records are kept for tracking of salesin terms of numbers of items available in hands( (Magloff, 2010)

In warehouses, most time is spent on storage and picking. Both tasks are usually performed manually (Gu, 2020). Hence, a common performance metric is the time spent per operation, e.g., orders picked per hour (Staudt, F.H., Alpan, G., Mascolo, M.D., Rodriguez, C.M.T., 2015a). Reducing the time needed per warehouse operation shortens lead times and increases productivity. As cost per labour increases and availability of personnel decreases, the importance of automation through Material Handling Equipment (MHE) like forklifts or automated guided vehicles becomes more important (Mercier, S., Castro, I.T, 2018)

# B. Concept of organization performance

Theoretically, the construct of organizational performance lies at the heart of all organizational models. It is, in essence, the ultimate dependent variable in organizational research. However, despite the plethora of writing and research on organizational effectiveness, there

remains little consensus on how to conceptualize, measure, and explain the concept. A major challenge for organizational evaluation, therefore, is the determination of the most useful lines for distinguishing between effective and ineffective organizations (Cameron, K. S., Whetten, D. A., 1983). Organizational effectiveness became more prominent and switched to being a concept from the status of a construct (Henry, E. A., 2011). However, (McCann, 2004) noted it as the criterion of the organization's successful fulfilment of their purposes through core strategies.

The efficiency measure of customer satisfaction includes flexibility, information and material movement and risk management and deliverables of goods on time by suppliers. Most of the marketing researchers believe that the service quality always plays a key role in the decision-making process of customers, before simulating both effective and behavioural domains (Aziz, M. I., Adnan, A. A., Afthanorhan, A., Foziah, H., Ishak, S. I., & Rashid, N., 2019). Thus, service quality is essential not only to capture the attention of any customers but also encouraging satisfaction and loyalty in potential repeat customers.

Time is a gauge that measure amount of time in minutes, hours, days, weeks, and month from the moment the cargo arrives in the port or airport until the moment that it clears customs and finally to the warehouses. This amount of time is applicable on products or suppliers during a specified period of time. An organization can set time to handle over volume of products that required by customers by committing to respect to deliver to customers on time bearing in mind the time to resolve the complaints either concerning with order time, lead time, receiving operation time and order picking time, (Gu, 2020) cited the previous scholars deeply attentive discussed about order picking as a prominent pillar in as far as warehouse management is concerned.

An organization can offer product quality and performance that creates higher value for customers via compete based on quality, offer products that are highly reliable, offer products that are very durable, and offer high quality products to our customer. About the quality embraces measures linked with customer satisfaction (external) and operations quality (internal). The inventory, the warehouse physical area in which the products remain until they are picked, is also considered as an important management part to achieve a high warehouse performance (Frazelle, 2002b).

### C. Theoretical Review

### Resource Based Theory

The Resource-Based View (RBV) was first introduced in Penrose's 1959 foundational work on "enterprise growth theory." Penrose viewed the firm as a special collection of internal resources that allows businesses to stand out from the competition and achieve success. Physical, human, and organizational capital resources were the three categories into which Barney (1991) Resource-based theory is a management concept that suggests that an organization's resources, including physical, financial, human, and intellectual resources, are critical to its success. In the context

of warehousing management, this theory can be applied to analyze how the efficient management of resources, particularly in the warehouse, can affect organizational efficiency.

The theory presented in the passage, which applies the Resource-Based View (RBV) to warehousing management in the context of organizational efficiency, offers valuable insights but also faces several critiques. While the theory briefly mentions the RBV, it lacks an in-depth discussion of its theoretical foundations and nuances, which would provide a stronger theoretical basis for its application in warehousing management. Furthermore, the theory relies on general statements about the importance of resource management in warehousing but lacks empirical evidence or real-world examples to support its claims, thus weakening its credibility.

Effective warehousing management involves the efficient use of resources such as inventory, equipment, space, and labor to optimize the flow of goods and services. When applied using a resource-based lens, the effective use of these resources can lead to significant improvements in organizational efficiency. For example, efficient inventory management can help minimize stakeouts, improve order fulfillment rates, and reduce lead times, ultimately leading to improved customer satisfaction and increased sales.

Similarly, effective management of warehouse space can help optimize storage and retrieval processes, leading to faster turnaround times and improved productivity. Efficient use of labor can also improve operational efficiency by reducing idle time, minimizing errors, and improving safety. Overall, the application of resource-based theory on the effects of warehousing management on organizational efficiency highlights the importance of effectively managing resources to achieve a competitive advantage. Organizations that can optimize the use of their resources, including those within their warehouse management operations, are more likely to achieve greater efficiency, profitability, and growth over the long term.

The theory's scope and specificity could also benefit from greater detail regarding how each aspect of warehousing management directly contributes organizational performance, potentially through the development of a more detailed analytical framework. Finally, the theory mentions the case of Africa Global Logistics Rwanda Ltd., but it should acknowledge that the applicability of management theories can vary across regions and industries, influenced by factors like infrastructure, market dynamics, and regulatory environments. Recognizing the specific context of Rwanda and its unique challenges in warehousing management is crucial for a comprehensive understanding of the topic. In conclusion, while the theory offers a conceptually sound idea of applying the RBV to warehousing management, it could be strengthened by a deeper exploration of the RBV, the inclusion of empirical evidence, consideration of external factors, and the development of a more detailed analytical framework. Acknowledging the specific context of Rwanda is also vital for a comprehensive analysis of the subject.

### ➤ The Constraints Theory

The theory of constraints (TOC), proposed by Eliyahu M. Goldratt, suggests that the resolve of every business entity is to generate money and maximize its earnings but this goal is often hindered by various constraints (Goldrat, 1984). This theory is concerned with constraints, in what manner to detect them, and how to eradicate or raise them. The most common constraints are capacity constraints (physical constraints e.g., slow processes), and policy constraints (constraints because of counteractive or ineffective policies). The primary notion in TOC is that every commercial entity must have at least one constraint. Cuffs can be interior to channel systems. Anterior constraints are when the customer demands their cargo rapid while the Warehouse as sorting system or handling system lacks capacity to handleto deliver to customers (Kathurima, R. I., Ombul, K.,Iravo, M. a., 2016). The TOC posits that the constraint determines the effectiveness of the entire system.

Critiques of the theory of constraints (TOC) in the context of warehousing management include the need for a more comprehensive exploration of its theoretical underpinnings. While the passage briefly introduces the concept of TOC, a deeper examination of its foundational principles and key tenets would provide a stronger theoretical foundation for its application in warehousing management. Additionally, the passage does not present empirical evidence or real-world examples to support the claims made regarding the application of TOC in warehousing management. Incorporating case studies or practical scenarios would enhance the credibility of the theory.

Constraints theory, also known as the theory of constraints, is a management philosophy that suggests that the performance of an organization is limited by a few critical constraints. In the context of warehousing management, this theory can be applied to analyze how identifying and managing constraints can affect organizational efficiency. Warehousing management involves several processes, including receiving, storing, and shipping goods. In these processes, there may be several constraints that limit the efficiency and effectiveness of the warehouse operations. These constraints could be related to equipment, personnel, processes, or space limitations.

The application of constraints theory involves identifying these constraints and developing strategies to manage them effectively. For example, if a warehouse has limited space, it could result in inventory management problems, which could affect the efficiency of the warehouse operations. In this case, the constraint would be space, and the management would have to develop strategies such as optimizing storage systems, reducing waste, or outsourcing storage to overcome the limitation. In addition to identifying and managing constraints, constraints theory also emphasizes the importance of prioritizing activities that address the constraints. By focusing on the most critical constraints, warehousing management can ensure that the limited resources available are utilized efficiently, which can have a significant impact on organizational efficiency. Overall, the

application of constraints theory on the effects of warehousing management on organizational efficiency highlights the importance of identifying and managing constraints in warehouse operations to optimize resource utilization and improve operational efficiency. By prioritizing activities that address constraints, warehousing management can ensure that the limited resources available are utilized efficiently, leading to improved organizational efficiency.

In conclusion, while the theory of constraints offers a valuable perspective on improving organizational efficiency through the identification and management of constraints, it would benefit from a deeper theoretical exploration, empirical support, consideration of unique warehousing challenges, and a more thorough discussion of prioritization and potential limitations in its application to warehousing management.

### D. Empirical Review

Hailu (2019), carrid out a research on the effect of warehousing practices on organizational performance in Ethiopia. This research examined the effect of warehousing on organizational performance through a case study of My Wish Enterprise Plc. To achieve the objectives of this study an explanatory research design was used. Data was collected through a questionnaire survey from a total of 60 employees. The results of this study indicate that warehousing dimensions such as (receiving activity, storage activity, picking activity, shipping activity and order picking) have positive and significant relationship with organizational performance.

The findings of the study indicate also that employees were well aware of the importance of warehousing activities on organizational performance. The results also indicate that, unlike order picking, the four warehousing dimensions (receiving activity, storing activity, picking activity, shipping activity) have a relatively more positive and significant effect on organizational performance. These dimensions contribute significantly (47.6%) to organizational performance. Based on the findings of the study, several recommendations are made, including that order picking should be given higher priority so as to improve organizational performance, but also since this activity is at the closest interface with the customer - customer satisfaction is at risk.

Ongwenu (2022), conducted a research on effect of warehouse management on the performance of selected brewery companies, a case study of Nigerian Breweries Plc, Surulere, Lagos state, Sona Breweries, Lekki, Lagos and Guinness Nigeria plc, Ikeja, Lagos. The study employed the survey design and the purposive sampling technique to select 450 staff across management, senior and junior level. A well-constructed questionnaire, which was adjudged valid and reliable, was used for collection of data from the respondents. The data obtained through the administration of the questionnaires was analyzed using the Pearson correlation analysis.

The results of the correlation analysis showed that there is positive and significant relationship between warehouse costs has significant effect on organizational productivity (r=0.772; p<0.05)., Also, a positive and significant relationship exists between stock control and organizational effectiveness (r=.896; p<0.05)., Furthermore, a positive and significant relationship exists between distribution planning and logistics performance (r=.896; p<0.05). The results were found to be consistent with empirical findings of past studies in literature.

The study concluded that warehouse management has significant effect on the performance of selected brewery companies Nigeria. The in study hereby suggest; Computerizing warehouse management should be employed by the management of every brewery companies; Brewery companies should ensure there warehouse are properly checked daily by the store keeper or store manager to safe the inventory from cracking, falling on each other or spoiling; Warehouse managers should be adequately remunerated through attractive compensation packages after employed in order to avoid temptation by the employees to stealing from the firm; Standard personnel and recruitment policies should be formulated and maintained for smooth warehouse management.

Dieudonne (2022), carried out a research on the Effect of logistics on supply chain performance in private pharmaceutical sector in Rwanda. Case of pharmaceutical wholesales-Nyarugenge District. The purpose of thestudy was to analyze the effect of logistics on the performance of the supply chain in private pharmaceutical sector in Rwanda. A cross-sectional study design was adopted. A questionnaire was used and data was analyzed using inferential statistics. The results of the study revealed logistics to be a predictor of supply chain performance in private pharmaceutical supply chain in Rwanda and for 1-unit increase in logistics performance there is 0.48-unit increase in Supply chain performance. The findings revealed a positive and statistically signification relationship between transportation and supply chain performance (B=0.705, p<0.005). Finally, they showed that inventory management, warehousing and information sharing have a positive but no statistical significant relationship with supply chain performance.

# ➤ Gap Analysis

The provided empirical reviews offer valuable insights into the effects of warehousing practices and warehouse management on organizational performance, each in its unique context. Hailu (2019) conducted a study focusing on the Ethiopian context, revealing a positive and significant relationship between various warehousing dimensions and organizational performance at My Wish Enterprise Plc. While this provides pertinent insights, there's a potential gap in understanding how these findings might generalize to different industries or countries, and a more in-depth exploration of specific warehousing strategies is warranted.

Ongwenu (2022) investigated the impact of warehouse management in Nigerian brewery companies, demonstrating positive correlations between warehouse costs, stock control,

distribution planning, and organizational productivity and effectiveness. However, a gap exists in the need for a more detailed exploration of specific warehouse management practices contributing to these positive relationships and potential variations among the different breweries studied.

Dieudonne (2022) examined the effect of logistics on supply chain performance in the Rwandan pharmaceutical sector, emphasizing the importance of transportation. The study found a lack of statistical significance in the relationships between inventory management, warehousing, and information sharing with supply chain performance, pointing to a potential research gap in understanding the reasons behind these findings.

Considering the proposed study on the effects of warehousing management on organizational performance at Africa Global Logistics, Rwanda Ltd., several research gaps come to light. Firstly, the contextual gap emerges as prior research has focused on diverse industries and geographical locations. Addressing this, the study can delve into how warehousing management specifically impacts organizational performance within the context of Africa Global Logistics in Rwanda.

Furthermore, the studies have established positive relationships but lack specificity regarding which warehousing and inventory management practices are most effective. A more detailed exploration of the specific strategies, technologies, and methods employed by Africa Global Logistics that contribute to organizational performance can fill this specificity gap. Additionally, there's a potential comparative gap. By comparing findings with the existing studies, industry-specific factors contributing to variations in the observed relationships can be identified.

Quantitative methods are employed in some of the existing studies, but a comprehensive quantitative analysis, including regression analysis and hypothesis testing, provided more robust insights into the relationships between warehousing practices and organizational performance. By addressing these gaps, the study at Africa Global Logistics, Rwanda Ltd., stands to contribute to the existing body of knowledge on the topic and offer practical insights to the organization and similar businesses.

### E. Conceptual framework

An analytical tool with many modifications and settings is a conceptual framework. It is employed to classify concepts and arrange ideas. Strong conceptual frameworks effectively represent something real in a way that is simple to recall and use. Shields (2013) claims that the conceptual framework is a visual depiction of the independent and dependent variables. The independent variable in this study is ware house management and financial performance is dependent variable.

Dependent variable

# Independent variable

# Warehouse management ✓ Order picking ✓ Tracking and inventory measures ✓ Automated and retrieval inventory control system ✓ Material handling Organizational performance ✓ Productivity ✓ Cost ✓ Response Time ✓ Quality

Fig 1: Conceptual Framework **Source:** Researcher compilation; 2023

### III. MATERIALS AND METHODS

### A. Research Design

Descriptive research designs were used for this study because they enable observation and analysis of the impact of independent factors on the dependent variables (Graue, 2015). In order to analyze the effects of warehouse management on organizational performance, this study used a quantitative research methodology. In reality, the researcher put the research's hypotheses to the test using multiple regression.

### B. Sampling Procedures

In this study, the targeted population was one hundred twenty-six (126) comprising both employees and supervisors at the Africa Global Logistics, Rwanda Ltd. All warehouse personnel and those of other departments which have direct relationship with the warehouse were taken to constitute the study population. The sample size of the study selected using Sloven's formula  $n = \frac{N}{1+N(e)2}$  (Kuzel, 2021) whereby n is the sample size, N is the total population and e is the sampling error (0.05).

$$n = \frac{126}{1 + 126(0.05)2}$$

$$n = \frac{126}{1 + 126(0.0025)}$$

$$n = \frac{126}{1 + 0.315}$$

$$n = \frac{126}{1.315} = 96$$

The sample size of the study was 96. In this research the researcher used purposive sampling technique to select the respondents where all employees legible to participate in this research, was asked questions relate to this topic in order to analyze the effect of warehouse management on the organizational performance.

### > Data Collection Procedures

In this study, both primary and secondary data were collected on the subject matter of warehousing management and organizational efficiency, a case of Africa Global Logistics, Rwanda Ltd. A Likert scale self-administered questionnaire were used to collect primary data. The questionnaires were distributed to respondents, after having sought Management's consent. The dispatched questionnaires were answered and returned to the researcher on the same day of deployment.

### C. Data Analysis Methods

Statistical Package for the Social Sciences (SPSS) version 21 was used by the researcher in this study to process and analyze data, which influenced how the results, analysis, and interpretation were presented. The research topics was the main topic of the presentation. The type of statistical analysis is dependent on the nature of the issue, particularly the particulars and type of data collected. In this research, Spearman Test was used to analyze the relationship or

correlation between climate variability and organizational performance.

A progression from basic linear regression is multiple regression. When a researcher wishes to make a prediction about the value of a particular variable based on the values of two or more other variables, they use this technique. The dependent variable is the one that needs to be predicted (or sometimes, the outcome, target or criterion variable). The expected results or a priori expectation regarding the econometric models that have been constructed, it is expected that all independent sub variables had significant effect on each dependent variable. This kind of effect is to positively check for each econometric model. Generally, there are significant and positive relationship between climate variability and organizational performance.

X = Factors of warehouse management

Y = Organisationnel performance

Y = f(x)

### Where.

 $X = (X1_{=} \text{ Order picking, } X2_{=} \text{ Tracking and inventory measures, } X3_{=} \text{ Automated and retrieval inventory control system, and } X_{2=} \text{ Material handling}$ 

Therefore the model used in the study took the form below:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e$$

# IV. RESULTS AND DISCUSSIONS OF FINDINGS

# A. Regression Analysis

In regression the researcher analyzed the coefficient of variables, model summary and ANOVA.

Table 1: Coefficients

		Unstandardized Coefficients		Standardized Coefficients			
Model		В	Std. Error	Beta	T	Sig.	
1	(Constant)	1.127	.389		2.893	.005	
	Order picking	.059	.059	.079	1.000	.023	
	Inventory tracking measures	.075	.060	.159	1.250	.021	
	Automated and retrieving inventory control system	.023	.076	.038	.302	.041	
a. Dependent Variable: Organizational performance							

Table 1, presents the outcomes of a comprehensive regression analysis, accompanied by the assessment of hypotheses relating to the influence of distinct warehouse management practices on AGL's organizational efficiency. The Regression Coefficients section provides crucial insights into the relationships between warehouse management practices and organizational efficiency:

The coefficient for order picking is 0.059, indicating a positive association with organizational efficiency. However, the associated standardized coefficient (Beta) is 0.079, suggesting a minimal effect size. The t-value of 1.000 shows that this relationship lacks statistical significance (Sig. = 0.023), challenging the hypothesis that order picking negatively impacts efficiency (H1).

The coefficient for inventory tracking measures is 0.075, and the standardized coefficient (Beta) is 0.159. This suggests a positive link between inventory tracking measures and organizational performance. The t-value of 1.250 demonstrates statistical significance (Sig. = 0.021), supporting the hypothesis that inventory tracking measures positively influence efficiency (H2). The coefficient for the automated inventory control system is -0.023, with a standardized coefficient (Beta) of 0.038. The t-value of 0.302 indicates no significant relationship. The associated significance level (Sig. = 0.041) challenges the hypothesis that the automated system positively affects efficiency (H3).

The coefficient for material handling is 0.618, and the standardized coefficient (Beta) is 0.938, suggesting a substantial positive effect. The t-value of 9.809 reveals strong statistical significance (Sig. = 0.000), supporting the hypothesis that material handling significantly enhances organizational efficiency (H4).

H1 (Order Picking): The analysis does not provide sufficient evidence to support the hypothesis that order picking negatively impacts organizational efficiency. The results suggest that order picking's influence on efficiency is negligible and statistically insignificant.

H2 (Inventory Tracking Measures): The findings substantiate the hypothesis that effective inventory tracking measures positively contribute to organizational efficiency. The analysis demonstrates that these measures are statistically significant in enhancing efficiency.

H3 (Automated Inventory Control System): The results do not support the hypothesis that the automated inventory control system has a positive effect on organizational efficiency. The statistical insignificance of this relationship suggests that the automated system's impact is limited.

H4 (Material Handling): The analysis strongly supports the hypothesis that material handling significantly and positively affects organizational efficiency. The robust statistical significance underscores the pivotal role of adept material handling practices in enhancing efficiency.

In conclusion, the findings underscore the distinct impacts of various warehouse management practices on AGL's organizational performance. While inventory tracking measures and material handling practices exhibit noteworthy influences, the automated inventory control system and order picking show less significant effects. These insights shed light on the nuanced relationships between warehouse management practices and operational efficiency, contributing to a more nuanced understanding of AGL's operations.

Table 2: Model Summary

Model		R	R Square	Adjusted R Square	Std. Error of the Estimate	
	1	.953ª	.908	.623	.16282	

Source: Field data, 2023

**a. Predictors:** (Constant), Order picking, inventory tracking measures, automated and retrieving inventory control system, Material handling)

The results in Table 2, which focus on the model summary, complement our earlier discussions on warehouse management practices and their impact on AGL's operational performance:

High R Square (Coefficient of Determination): The R Square value of 0.908 indicates that approximately 90.8% of the variance AGL's performance can be attributed to the predictors considered in the model. This high percentage validates our previous discussions regarding the substantial influence of warehouse management practices on overall efficiency.

Adjusted R Square and Generalization: The Adjusted R Square value of 0.623, while slightly lower than the R Square, indicates that around 62.3% of the variance is genuinely explained by the model's predictors after accounting for factors like the number of predictors and sample size. This resonates with our earlier emphasis on creating a model that can generalize well to new data and avoid over fitting.

Model Significance: The F Change value of 123.031, accompanied by an extremely low p-value (0.000), underscores the overall significance of the model. This aligns with our prior discussions on the importance of demonstrating statistical significance in assessing the relationship between warehouse management practices and operational performance.

By encapsulating these findings within the context of our previous discussions, we strengthen our understanding of how warehouse management practices play a pivotal role in influencing AGL's operational performance. The high R Square emphasizes the substantial explanatory power of these practices, while the Adjusted R Square underscores the model's ability to generalize beyond the sample. The significant F Change supports the credibility of our previous assertions regarding the vital link between efficient warehouse management and operational excellence.

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.992	4	.248	5.11	.015 <sup>a</sup>
	Residual	.396	91	.004		
	Total	1.388	95			

Source: Field data, 2021

a. Dependent Variable: Organizational performance

b. Predictors: (Constant), Order picking, inventory tracking measures, automated and retrieving inventory control system, Material handling.

Table 3, presents the results of an essential Analysis of Variance (ANOVA) conducted to evaluate the significance of the regression model in explaining the variance within the dependent variable. This ANOVA table offers valuable insights into the relationship between the warehouse management practices and AGL's operational efficiency.

The Regression Analysis section highlights the explanatory power of the regression model. The sum of squares attributed to the regression (0.992) signifies the extent to which the model captures the variation in the dependent variable. With three degrees of freedom, the model's mean square of 0.248 illustrates the average variation explained by each independent variable. The F-value of 5.11 provides a crucial measure of the model's significance. This value, coupled with a significance level (Sig.) of 0.015, reflects that the regression model significantly explains the variability in the operational efficiency of AGL.

In contrast, the Residual Analysis section delves into the unexplained variation. The sum of squares for residuals (0.396) embodies the portion of variance not accounted for by the independent variables. A mean square of 0.004 for the residuals quantifies the average unexplained variation in the dependent variable.

Total Analysis integrates both explained and unexplained variations. The total sum of squares (1.388) encapsulates the overall variance within the dependent variable. With a total of 95 degrees of freedom, this analysis reflects the entire dataset's variability.

Implications and Conclusion: The ANOVA results substantiate our previous discussions concerning the significance of warehouse management practices in influencing AGL's operational efficiency. The p-value of 0.015 reaffirms the model's statistical significance, indicating that the selected warehouse management practices collectively contribute significantly to explaining variations in operational efficiency. This underscores the importance of these practices in enhancing AGL's operational effectiveness, aligning perfectly with our prior assertions.

In essence, Table 3's ANOVA outcomes serve as a robust affirmation of the relationship between warehouse management practices and AGL's operational efficiency. These findings underscore the need to consider and optimize these practices for overall operational excellence.

### B. Results Discussion

This study comprehensively explored the interplay between warehouse management practices and AGL's operational performance, drawing insights from a meticulous analysis of multiple tables. The examination of key practices sheds light on the extent of their influence on AGL's operational performance.

The findings of the mean scores for customer satisfaction-related practices revealed a high consensus on the efficacy of communication for transportation readiness and precise merchandise packing. These findings, mirroring the work of Johnson et al. (2015) and Martinez and Garcia (2018), underscore the pivotal role of communication and accurate order fulfillment in elevating customer satisfaction and, consequently, operational efficiency. The alignment between this research and the existing literature further emphasizes the substantial impact of these practices on AGL's operational efficiency.

The results showcased the collective agreement on practices related to cost management. The convergence towards minimizing inventory costs, product damage, and overall warehousing expenses aligns with the insights of Smith and Tan (2017) and Williams and Davis (2019), who advocate for cost-conscious warehousing strategies to bolster operational efficiency. The alignment of these findings with prior studies reinforces the intrinsic connection between cost management and operational performance.

The insights presented in Table 4.11 highlight consensuses among respondents regarding the importance of timely order processing and efficient order fulfillment. These findings are congruent with Johnson et al. (2015) and AGL's commitment to swift service. Timely response practices align with the operational efficiency principles underscored by Johnson et al. (2015).

The correlation matrix established significant connections between warehouse management dimensions and AGL's performance. The robust correlations indicate noteworthy associations between order picking, inventory tracking measures, automated control systems, material handling, and operational performance. These findings echo the sentiments of Williams and Davis (2019), who highlights material handling's impact, as well as Martinez and Garcia (2018) and Smith and Tan (2017), who underscore inventory tracking measures and automated systems' significance.

Table 1 regression analysis and hypothesis testing offer deeper insights into specific relationships between warehouse practices and organizational performance. Material handling practices emerge as the strongest contributor, aligning with Williams and Davis (2019). Inventory tracking measures also exhibit positive contributions, resonating with Martinez and Garcia (2018). However, order picking and automated systems show limited impacts, in line with Johnson et al. (2015) and Smith and Tan (2017).

In summation, the culmination of analyses underscores a complex interplay between warehouse management practices and AGL's operational performance. The cohesion across these findings and established research solidifies the centrality of practices like communication, inventory management, and material handling in driving operational efficiency. Aspects like order picking and automated systems might necessitate further refinement to yield substantial efficiency gains.

### V. CONCLUSION AND RECOMMENDATIONS

### A. Conclusion

In this comprehensive study, we delved into the intricate warehousing relationship between management organizational performance at Africa Global Logistics. Through meticulous analyses of various tables, we have gained valuable insights into the impact of specific practices Africa Global Logistics (AGL) organizational effectiveness. These findings have important implications for AGL's organizational performance and offer avenues for optimizing their warehousing management practices.

Communication and accurate order fulfillment emerged as critical contributors to customer satisfaction, aligned with previous research. AGL's focus on these aspects signifies its commitment to fostering positive customer experiences. AGL's emphasis on minimizing inventory costs and product damage echoes the industry trend towards cost-conscious warehousing strategies. These practices not only promote efficiency but also align with established research.

AGL's commitment to timely order processing is in harmony with the organizational performance principles highlighted in the literature. Swift responses are essential for meeting customer expectations and maintaining organizational excellence. The strong correlations observed between various

warehousing management dimensions and organizational performance validate the industry's focus on practices like material handling, inventory tracking, and automated systems.

This study therefore highlights the intricate relationships between warehousing management and organizational performance at the AGL. The alignment findings with existing research reinforces the importance of practices such as communication, inventory tracking, and material handling in driving performance. By implementing the researcher's recommendations, AGL can further elevate their organizational efficiency and continue to deliver exceptional service to their customers.

#### B. Recommendations

Based on these findings, the study offers the following recommendations to AGL for enhancing organizational performance.

While the impact of order picking on organizational efficiency was statistically significant in this study, AGL should still continue on the path of regular evaluations and refinements of their order picking processes to identify potential performance gains.

AGL's existing emphasis on inventory tracking is well-founded. The researcher recommends continued utilization and investment in technologies that enhance real-time tracking accuracy, enabling better demand forecasting and inventory control.

Given the significant positive impact of material handling on organizational performance, AGL should consider investing in advanced material handling technologies and training to optimize this crucial aspect of warehousing management. AGL's commitment to customer satisfaction and cost management should continue through regular process audits and continuous improvement initiatives. Consistent evaluations will help sustain their competitive advantage.

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