

The Role Of The Logistics Outsourcing And Supply Chain Performance In Mogadishu Somalia

Mahad Mursal Adan, Atanga Desmond Funwie, Gitiha Pauline Wanjiru, Frinwie Joy Njimoun

Kesmonds International University. Green Hope University. African Professional Certification Institute. Vocational Training Institute Of Kesmonds. Department Logistics And Supply Chain Management

Email address:

mahatmursal@gmail.com, atanga@kesmondsuniversity.org

To cite this article:

Authors: Mahad Mursal Adan, Atanga Desmond Funwie, Gitiha Pauline Wanjiru, Frinwie Joy Njimoun. Paper Title: The Role Of The Logistics Outsourcing And Supply Chain Performance In Mogadishu Somalia
IQ Research Journal of IQ res. j. (2023)2(3): pp 01-22. Vol. 002, Issue 03, 03-2023, pp. 0262-0284

Received: 04 03, 2023; Accepted: 23 03, 2023; Published: 30 03, 2023

Keyword

Logistics, supply chain, outsourcing, performance

Received:

04 03, 2023

Accepted:

23 03, 2023

Published:

30 03, 2023

Abstract

The overall aim of this research was to find out to determine the role of logistics outsourcing and supply chain performance in Mogadishu Somalia. The population of this study was 100 respondents targeting individuals and the sample size was calculated using the Slovene formula which is 80 subjects. The researcher used a questionnaire tool a collecting data the selection of this tool has been guided by the nature of the data to be collected. The majority of the respondents of the study found that showed answers agree or strongly agree of the respondent that related. The relation between blindness and cataract among senile cataracts above chain performance. (89.8%) followed by the majority of the respondents who strongly agreed. The relationship between logistics outsourcing practices and supply chain performance for a particular process may succeed if the process gets outscored, on the average of (77.3%) followed by the majority of the respondents agreed. I suggest a recommendation by a study including the logistic managers of the supply chain performance operating in Mogadishu should focus more. The study underlined the role of logistics outsourcing in the supply chain by assessing its importance in organizations, the main purpose of this paper is to identify and explore the content of Logistics and Supply Chain Management, and to find the connections and the differentials factors that are between the two areas. The study is based on a literature review and wants to find the core subjects and the differentials between the two areas, to have a better and more comprehensive understanding of these topics.

Introduction

Generally, there has been a growing popularity of outsourcing as a practice among firms as they strive to eliminate non-value-adding activities for timely responses to the needs of their customers. Mageto, Prinsloo, and Luke (2018) noted that the decision of transferring some functions of the firm to third parties like logistics has been shown to play a key role as far as strategic alignment of the organization is concerned. The ever-increasing competitive forces and pressure from globalization mean that firms must critically and objectively examine their business activities and processes and thus the need for logistics outsourcing (Dmitry, 2018). The key drivers of logistics outsourcing among firms include the desire to reduce costs, grow revenues generated and thus improve profitability position (Joto & Odock, 2019).

The transaction cost theory, the network theory, and the resource-based view provided the theoretical underpinning of this study. The TCT explained how the desire to reduce costs like decentralization of the order processing activities drives firms to engage in logistics outsourcing (Coase, 1937 & Williamson, 2015). The RBV was explain how resources (both internal and external) help the firms to engage in logistics outsourcing practices (Wernerfelt, 2014 & Barney, 2019). According to Sharma (2015) the commonly used measures of supply chain performance are the balanced scorecard and SCOR model. The supply chain performance is

measured at multiple levels and assigned five categories of metrics to level one of this model; reliability, responsiveness, and flexibility. Small and Medium Enterprises (SMEs) play an important role including opening up employment opportunities to the majority of the people. In fact, the SMEs are the largest component of the business units that are spread in different sectors of the economy including health, financial services, manufacturing as well as hotel and hospitality sectors. Low amount of capital is required when setting up the SMEs and they have the capability to offer products that are customized to the needs of the customers (Botan, 2018). The key challenge faced by these SMEs is inadequate access to capital and other resources and this scarcity requires that efforts are done to reduce operating costs for better performance (Mohamed, 2018). The study, therefore, sought to explore how logistics outsourcing may help in reducing costs incurred by these SMEs and how this enhances their performance. (Akbari, 2018) Logistics relates to the movement and flow of raw materials that include stock of finished goods, work in progress as well component parts and it is classified as either in-bound or out-bound logistics (Zailani, Shaharudin, Razmi & Iranmanesh, 2017).

METHODOLOGY

Research design

This study used an empirical analysis and causal research designs. The causal research design was proposed for this study because it enabled the critical analysis of the effect of one variable on another. The causal effect occurs when variation in one phenomenon, an independent variable, leads to or results, on average, in variation in another phenomenon, the dependent variable. The study also employed multiple linear regression equations. The researcher used a questionnaire tool for collecting data the selection of this tool has been guided by the nature of the data to be collected. A questionnaire tool was administered to collect quantitative data from the selected respondents. The researcher preferred this method because it is the most appropriate for collecting the views of respondents. The data on completion of mixed questionnaires were categorized or coded and entered into a computer for the Statistical Package for Social Sciences (SPSS 20 version) to summarize the data using simple and complex frequency.

tables. The same package is used to analyze by computing relative frequencies, means, and standard deviations. In the questionnaire each selected one to four scales for where 1. Strongly Disagree 2. disagree 3. neutral 4. Agree 5. Strongly Disagree.

RESEARCH DESIGN

Since this study involved an empirical analysis, the causal research design was employed. The causal research design was proposed for this study because it enabled the critical analysis on the effect of one variable on another causal effect occurs when variation in one phenomenon, an independent variable, leads to or results, on average, in variation in another phenomenon, the dependent variable. The study also employed multiple linear regression equation.

RESEARCH POPULATION

The population of this study was 100 respondents targeting individuals from Civil Society, directors of logistics, and Ministry of Business staff. In Mogadishu, Somalia.

SAMPLE SIZE

The sample size of this study was 100 respondents. The sample size was calculated using Slovene's formula which is $n = N / (1 + (N * e^2))$, where n = sample size, N = population size, and e = margin of error of 5% $N = 1000 / (1 + (1000 * 0.0025)) = 80$ subjects

SAMPLE PROCEDURE

The study used probability sampling procedure particularly a simple random sampling method. Random sampling (sometimes called just random sampling) involves the researcher selecting the sample at random from the sampling frame using either random number tables or a computer. The

sample selection process is continued until your required sample size has been reached. The main purpose of this technique is to select or use in a definite population because this technique is used when the population is known and clear.

RESEARCH INSTRUMENTS

The researcher used a questionnaire tool as a collecting data the selecting of this tool has been guided by the nature of data to be collected. Questionnaire tool was administered to collect quantitative data from the selected respondents. The researcher preferred this method because it is the most appropriate in collecting the views of respondents.

VALIDITY AND RELIABILITY

Validity refers to the extent to which data collection method accurately measures what it intends to measure or to the extent to which research findings are about what they are claimed to be about (Saunders, 2011). Generally, validity of each question or group of questions is assessed rather than of the questionnaire as a whole. In order to increase validity of the questions in this research, the researcher utilized the content validity index for the reason that the researcher constructed the questions as clearly as possible, measuring only one thing at a time. English being the language of the research might have had some influence in decreasing the validity of questions; however, great care was exercised to decrease the faults. Reliability refers to the

extent to which your data collection techniques or analysis procedures will yield consistent findings (Saunders, 2009) before distributing the questionnaire; the researcher did pilot-testing with 5 experts including the supervisor. Some changes as well as reformulations of questions and possible answers were made as the result of this pilot test. In order to avoid subject or participant bias, this is one of the threats to reliability, the inscrutability of the respondents assured in the questionnaire, and confidentiality in the questionnaire by the researcher.

DATA GATHERING PROCEDURE

Data collection was proceeding after being authorized by the faculty of education and social science. An introductory letter will be written detailing the purpose and nature of the study. The researcher was taking to these latter to the Hospitals where data is to be collected.

DATA ANALYSIS

The data on completion of mixed questionnaires was categorized or coded and entered into a computer for the Statistical Package for Social Sciences (SPSS 20 version) to summarize the data using simple and complex frequency tables. The same package is used to analyze by computing relative frequencies, means, and standard deviations. In the questionnaire each selected one to four scale for where, 1. Strongly Disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly Disagree

ETHICAL CONSIDERATIONS

The confidentiality of the response was respected as they were made to know that the information was used for academic purposes and the researcher made sure the researcher's personal biases and opinions will not override other interests of the research and gave both sides fair consideration.

This study follows a Descriptive Research design. It is cross-sectional and quantitative in nature. In analytical research, the researcher has to use facts or information already available and analyze them to make a critical evaluation of the material (Kothari, 2006). It is a cross-sectional survey, and the researcher examined many people at the same time because most research projects undertaken for academic courses are necessarily time constrained. Therefore, this study will be conducted through a survey research design because this study in an exploratory study, the quantitative data will be collected through a questionnaire and analyze data descriptive analyze.

RESEARCH POPULATION

The population of this study was 100 respondents targeting individuals from Civil Society, directors of logistics and Ministry of Business staff. In Mogadishu, Somalia.

SAMPLE SIZE

The sample size of this study was 100 respondents. The sample size was calculated

using Slovene's formula which is $n = \frac{N}{1 + (N \cdot e^2)}$, where n = sample size, N = population size, and e = margin of error of 5% $N = 1000 / (1 + (1000 \cdot 0.0025)) = 80$ subjects

SAMPLE PROCEDURE

The study used a probability sampling procedure particularly a simple random sampling method. Random sampling (sometimes called just random sampling) involves the researcher selecting the sample at random from the sampling frame using either random number tables or a computer. The sample selection process is continued until your required sample size has been reached. The main purpose of this technique is to select or use in a definite population because this technique is used when the population is known and clear.

RESEARCH INSTRUMENTS

The researcher used a questionnaire tool as a collecting data the selecting of this tool has been guided by the nature of data to be collected. Questionnaire tool was administered to collect quantitative data from the selected respondents. The researcher preferred this method because it is the most appropriate in collecting the views of respondents.

VALIDITY AND RELIABILITY

Validity refers to the extent to which data collection method accurately measures what it intends to measure or to the extent to which research findings are about what they are claimed to be about (Saunders, 2011). Generally, validity of each question or group of questions is assessed rather than of the questionnaire as a whole. In

order to increase the validity of the questions in this research, the researcher utilized the content validity index for the reason that the researcher constructed the questions as clear as possible, measuring only one thing at a time. English being the language of the research might have had some influence in decreasing the validity of questions; however, great care was exercised to decrease the faults. Reliability refers to the extent to which your data collection techniques or analysis procedures will yield consistent findings (Saunders, 2009) before distributing the questionnaire; the researcher did pilot-testing with 5 experts including the supervisor. Some changes as well as reformulations of questions and possible answers made as the result of this pilot test. In order to avoid subject or participant bias, this is one of the threats to reliability, the inscrutability of the respondents assured in the questionnaire and confidentiality in the questionnaire by the researcher.

DATA GATHERING PROCEDURE

Data collection was proceeding after being authorized by the faculty of education and social science. An introductory letter will be written detailing the purpose and nature of the study. The researcher was taking to these latter to the Hospitals where data is to be collected at.

DATA ANALYSIS

The data on completion of mixed questionnaires were categorized or coded **and** entered into a

computer for the Statistical Package for Social Sciences (SPSS 20 version) to summarize the data using simple and complex frequency tables. The same package is used to analyze by computing relative frequencies, means, and standard deviations. In the questionnaire each selected one to small-scale for here, 1. Strongly Disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly Disagree

ETHICAL CONSIDERATIONS

The confidentiality of the respondents was respected as they were made to know that the information was used for academic purposes and the researcher made sure the researcher's personal biases and opinions will not override other interests of the research and gave both sides fair consideration

Population refers to the entire group of people that the researcher wishes to investigate. The study population is 60 which are business managers, small scale of the logistics system, and Expert workers. These are selected because they work under can provide accurate information about the effect of logistics management,

FINDINGS

The summary of demographic respondents indicates to the majority of the respondents in this sample was male 48 (60.0%). and also the majority of the respondents of marital status married of the respondents 58 (72.5%). followed

by the most respondents 49 (61.3%) of them said they were between the ages of 20 and 30 years. followed by most respondents.

47 (58.8%) were holders of bachelor's. followed by the majority of the respondent's level of experience 5 (63.8%) of the respondent were answers 2-5 years.

The first objective of the study was to establish the logistics outsourcing practices that have been adopted by Small and supply chain performance in Mogadishu Somalia, so the majority of the respondents agreed that logistics outsourcing practices that have been adopted by Small, (95.7%) followed by the majority of the respondents agreed that.

The second objective of the study to determine the relationship between logistics outsourcing

practices and supply chain performance in Mogadishu Somalia. Logistics helps to establish the supply chain management of possible suspects. (89.8%) followed by the majority of the respondents who strongly agreed.

The thirdly objective of the study is to identify factors of logistics outsourcing practices that have been adopted by Small and supply chain performance in Mogadishu Somalia, Indicates that five key factors influence the outsourcing decision: centrality of the logistics functions to the firm's core competency; risk liability and control; cost/service tradeoffs in operations; information and communications systems; and market relationships, on the average of (77.3%) followed by the majority of the respondents agreed.

Table 1.1 respondent of Gender

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|------------|-----------|---------|---------------|--------------------|
| Valid Male | 48 | 60.0 | 60.0 | 60.0 |
| Female | 32 | 40.0 | 40.0 | 100.0 |
| Total | 80 | 100.0 | 100.0 | |

The above table shows the gender of the respondents. It indicates that 48 (60.0%) of them were male while 32 (40.0%) were female. The

majority of respondents of gender are male while the others are

minors. The data findings are in line with the study objectives which gauge The effect of

blindness due to cataract among senile cataract above 40 year in Mogadishu Somalia

Table 1.2 respondent of Marital status

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------|-----------|---------|---------------|--------------------|
| Single | 22 | 27.5 | 27.5 | 27.5 |
| Valid Married | 58 | 72.5 | 72.5 | 100.0 |
| Total | 80 | 100.0 | 100.0 | |

The above table shows the marital status of the respondents. It indicates that 58 (72.5%) of them were married while 22 (27.5%) were single. The

majority of respondents of marital status are married while the **other is minor**

Table 1.3 respondent of the Age

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|------------------|-----------|---------|---------------|--------------------|
| 18-25 year | 9 | 11.3 | 11.3 | 11.3 |
| Valid 20-30 year | 49 | 61.3 | 61.3 | 72.5 |
| above 40 year | 22 | 27.5 | 27.5 | 100.0 |
| Total | 80 | 100.0 | 100.0 | |

The table above illustrates the age distribution of the respondents. It shows that 9 (11.3%) of the respondents were aged between 18-25 years while 49 (61.3%) of them said they were between the ages of 20 and 30 years. Only 22 (27.5%) of the respondents were aged above 40 years. Age of the respondents was a variable that was sought

out by the study. The majority of respondents of the age is 20-30 years while the others are minors. It was important to establish the age brackets of respondents so that to ascertain if there are patterns or correlation between age and blindness.

Table 1.4 respondents' level of the education

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------------|-----------|---------|---------------|--------------------|
| Master | 11 | 13.8 | 13.8 | 13.8 |
| Bachelor | 47 | 58.8 | 58.8 | 72.5 |
| Valid Secondary | 22 | 27.5 | 27.5 | 100.0 |
| Total | 80 | 100.0 | 100.0 | |

The table above shows the respondents level of education (education qualification). The table indicates 11 (13.8%) of the respondents were master leavers. The table also shows that 47 (58.8%) were holders of Bachelor, while 22 (27.5%) respondents attained a master's. The majority of respondent's level of education is a bachelor while the others are minors.

Table 1.5 respondents' level of the experiment

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| less than 2 years | 19 | 23.8 | 23.8 | 23.8 |
| 2-5 years | 51 | 63.8 | 63.8 | 87.5 |
| Valid | | | | |
| above 7 years | 10 | 12.5 | 12.5 | 100.0 |
| Total | 80 | 100.0 | 100.0 | |

The above table shows; the respondents' level of work experience. This table indicates that 19 (23.8%) respondents had a work experience of less than 2 years, while 51 (63.8%) of the

respondent were answers 2-5 years . and also the above 7 years of respondent were answers 10 (12.5%) .The majority of respondents level is 2-5 years while the others are minors.

Table 1.6 Afirmcanoutsourcemaajorlogisticservicesfromthethird-partyserviceproviders.

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Agree | 15 | 18.8 | 18.8 | 18.8 |
| Disagree | 18 | 22.5 | 22.5 | 41.3 |
| Strongly Agree | 27 | 33.8 | 33.8 | 75.0 |
| Valid | | | | |
| Strongly Disagree | 10 | 12.5 | 12.5 | 87.5 |
| Neutral | 10 | 12.5 | 12.5 | 100.0 |
| Total | 80 | 100.0 | 100.0 | |

The above table shows; the question related one of the dimensions with the statement saying A firm can outsource major logistic services from the third-party service providers. which seems to agree with answered respondents of frequency 15 and mean percent (18.8%) , the answer of disagree of 18 respondent (22.5%), the answer of strongly agree 27 of the respondent (33.8%), while the answer of strongly disagree 10 of respondent (12.5 %).while the answer of neutral are 10

(12.5%) respondents. the majority of this statement strongly Agree 27 (33.8%) of the respondents while others are minors.

Table 1.7 Some of these services that can be outsourced include the management of inventories, transportation services, the services relating with the processing of orders, packaging activities, warehousing, handling and management of the flow of information, and material handling activities.

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Agree | 31 | 38.8 | 38.8 | 38.8 |
| Disagree | 9 | 11.3 | 11.3 | 50.0 |
| Strongly Agree | 18 | 22.5 | 22.5 | 72.5 |
| Valid | | | | |
| Strongly Disagree | 4 | 5.0 | 5.0 | 77.5 |
| Neutral | 18 | 22.5 | 22.5 | 100.0 |
| Total | 80 | 100.0 | 100.0 | |

The above table shows; the question related to one of the dimensions with the statement saying Some of these rives that can be outsourced include the management of inventories, transportation services, the services relating to the processing of orders, packaging activities, warehousing, handling and management of the flow of information and material handling activities. which seems agree as answered respondents of frequency 31 and

mean percent (38.8%) , the answer of disagree of 9 respondents (11.3%), the answer of strongly agree 18 of the respondent (22.5%), while the answer of strongly disagree 4 of the respondent (5.0 %).while the answer of neutral are 18 (22.5%) respondents . the majority of this statement strongly Agree 18 (22.5%) and neutral 18 (22.5%) of the respondents while others are miners.

Table 1.8 service-oriented organization, inventories are required on the daily operations and they include the materials covering saleable outputs.

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Agree | 11 | 13.8 | 13.8 | 13.8 |
| Disagree | 29 | 36.3 | 36.3 | 50.0 |
| Strongly Agree | 18 | 22.5 | 22.5 | 72.5 |
| Valid | | | | |
| Strongly Disagree | 7 | 8.8 | 8.8 | 81.3 |
| Neutral | 15 | 18.8 | 18.8 | 100.0 |
| Total | 80 | 100.0 | 100.0 | |

This table shows; the question related one of the dimensions with the statement say service-oriented organization, inventories are required on the daily operations, and they include the materials covering saleable outputs. which seems agree as answered respondents of frequency 11 and mean percent (13.8%) , the answer of disagree of 29 respondent (36.3%),

the answer of strongly agree 18 of the respondent (22.5%), while the answer of strongly disagree 7 of respondent (8.8%).while the answer of neutral are 15 (18.8%) respondents. the majority of this statement Disagrees 29 (6.3%) of the respondents while others are miners.

Table 1.9 Outsourcing of the inventory management practices helps the firm to maintain an efficient inventory base that would cushion against excess demands.

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------------|-----------|---------|---------------|--------------------|
| Agree | 45 | 56.3 | 56.3 | 56.3 |
| Disagree | 10 | 12.5 | 12.5 | 68.8 |
| Strongly Agree | 6 | 7.5 | 7.5 | 76.3 |
| Valid Strongly Disagree | 4 | 5.0 | 5.0 | 81.3 |
| Total | 80 | 100.0 | 100.0 | |

The above table shows; the question related one of the dimensions with the statement saying outsourcing of the inventory management practices helps the firm to maintain an efficient inventory base that would cushion against excess demands. which seems

to agree as answered respondents of frequency 45 and mean percent (56.30%) , the answer of disagree of 10 respondents (12.5%), the answer of strongly agree 6 of the respondent (7.5%), while the

| | | | | |
|---------|----|------|------|-------|
| Neutral | 15 | 18.8 | 18.8 | 100.0 |
|---------|----|------|------|-------|

answer of strongly disagree 4 of the respondent (5.0%).while the answer of neutral are 15 (18.8%) respondents . the majority of this

statement Agree 45 (56.3%) of the respondents while others are miners.

Table 1.10 The outsourcing practice has enabled the organization to concentrate on its core business and therefore achieve improved customer satisfaction

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Agree | 22 | 27.5 | 27.5 | 27.5 |
| Disagree | 7 | 8.8 | 8.8 | 36.3 |
| Strongly Agree | 29 | 36.3 | 36.3 | 72.5 |
| Valid | | | | |
| Strongly Disagree | 7 | 8.8 | 8.8 | 81.3 |
| Neutral | 15 | 18.8 | 18.8 | 100.0 |
| Total | 80 | 100.0 | 100.0 | |

This table shows; the question related one of the dimensions with the statement saying The outsourcing practice has enabled the organization to concentrate on its core business and therefore achieve improved customer satisfaction , which seems agree as answered respondents of frequency 22 and mean percent (27.5%) , the answer of disagree of 7 respondent

(8.8%), the answer of strongly agree 29 of the respondent (36.3%), while the answer of strongly disagree 7 of the respondent (8.8%).while the answer of neutral are 15 (18.8%) respondents. the majority of this statement strongly Agree 29 (36.3%) of the respondents while others are miners.

Table 1.11, Distribution channels“ are located in such a way that they fulfill the demand of customers at the right place and the right time when it is needed by the customers.

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Agree | 23 | 28.8 | 28.8 | 28.8 |
| Disagree | 4 | 5.0 | 5.0 | 33.8 |
| Strongly Agree | 17 | 21.3 | 21.3 | 55.0 |
| Valid | | | | |
| Strongly Disagree | 5 | 6.3 | 6.3 | 61.3 |
| Neutral | 31 | 38.8 | 38.8 | 100.0 |
| Total | 80 | 100.0 | 100.0 | |

The above table shows; the question related one of the dimensions with the statement

saying Distribution channels“ are located in such a way that they fulfill the demand of customers

at the right place and the right time when it is needed by the customers, which seems agree as answered respondents of frequency 23 and mean percent (28.8%) , the answer of disagree of 4 respondent (5.0%), the answer of strongly agree 17 of the respondent (21.3%), while the

answer of strongly disagree 5 of respondent (6.3%).while the answer of neutral are 31 (38.8%) respondents . the majority of this statement Neutral 31 (38.8%) of the respondents while others are miners

1.12 , There is a strategy that channels members managed, monitored, and motivated, once they are selected

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Agree | 45 | 56.3 | 56.3 | 56.3 |
| Disagree | 8 | 10.0 | 10.0 | 66.3 |
| Strongly Agree | 5 | 6.3 | 6.3 | 72.5 |
| Valid | | | | |
| Strongly Disagree | 2 | 2.5 | 2.5 | 75.0 |
| Neutral | 20 | 25.0 | 25.0 | 100.0 |
| Total | 80 | 100.0 | 100.0 | |

The above table shows; the question related one of the dimensions with the statement saying There is a strategy that channels members managed, monitored and motivated, once they are selected, which seems to agree as answered respondents of frequency 45 and mean percent (56.3%) , the answer of disagree

of 8 respondent (10.0%), the answer of strongly agree 5 of the respondent (6.3%), while the answer of strongly disagree 2 of respondent (2.5%).while the answer of neutral are 20 (25.0%) respondents . the majority of this statement Agree 45 (56.3%) of the respondents while others are a miners.

Table 1.13 There is a feedback mechanism from the Distribution centers towards the company and from the company towards DCs

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Agree | 23 | 28.8 | 28.8 | 28.8 |
| Disagree | 26 | 32.5 | 32.5 | 61.3 |
| Strongly Agree | 18 | 22.5 | 22.5 | 83.8 |
| Valid | | | | |
| Strongly Disagree | 4 | 5.0 | 5.0 | 88.8 |
| Neutral | 9 | 11.3 | 11.3 | 100.0 |
| Total | 80 | 100.0 | 100.0 | |

The table shows; the question related one of the dimensions with the statement saying, There is a feedback mechanism from the Distribution centers towards the company and from the company towards DCs , which seems agree as answered respondents of frequency 23 and mean percent (28.8%) , the answer of disagree

of 26 respondent (32.5%), the answer of strongly agree 18 of the respondents (22.5%), while the answer of strongly disagree 4 of respondent (5.0%).while the answer of neutral are 9 (11.3%) respondents. the majority of this statement Disagree 26 (32.5%) of the respondent's while others are a minor.

Table 1.14, Our customer service strategy is executed well throughout the firm.

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Agree | 55 | 68.8 | 68.8 | 68.8 |
| Disagree | 5 | 6.3 | 6.3 | 75.0 |
| Strongly Agree | 9 | 11.3 | 11.3 | 86.3 |
| Valid | | | | |
| Strongly Disagree | 1 | 1.3 | 1.3 | 87.5 |
| Neutral | 10 | 12.5 | 12.5 | 100.0 |
| Total | 80 | 100.0 | 100.0 | |

The above table will be showed; the question related one of the dimensions with the statement saying Our customer service strategy is executed well throughout the firm , which

seems agree as answered respondents of frequency 55 and mean percent (68.8%) , the answer of disagree of 5 respondent (6.3%), the answer of strongly agree 9 of the respondent

(11.3%), while the answer of strongly disagree 1 of the respondent (1.3%).while the answer of neutral are 10 (12.5%) respondents. the

majority of this statement Agree 55 (68.8%) of the respondents while others are a miners

Table 1.15, Our firm has mechanisms in place for responding `to customer service issues prior to the customer being impacted.

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Agree | 16 | 20.0 | 20.0 | 20.0 |
| Disagree | 5 | 6.3 | 6.3 | 26.3 |
| Strongly Agree | 24 | 30.0 | 30.0 | 56.3 |
| Valid | | | | |
| Strongly Disagree | 6 | 7.5 | 7.5 | 63.8 |
| Neutral | 29 | 36.3 | 36.3 | 100.0 |
| Total | 80 | 100.0 | 100.0 | |

The above table will be showed; the question related one of the dimensions with the statement saying: Our firm has mechanisms in place for responding `to customer service issues prior to the customer being impacted, which seems agree as answered respondents of frequency 16 and mean percent (20.0%) , the answer of disagree of 5 respondent (6.3%), the

answer of strongly agree 24 of the respondent (30.0%), while the answer of strongly disagree 6 of respondent (7.5%).while the answer of neutral are 29 (36.3%) respondents . the majority of this statement Strongly Agree 24 (30.0%) of the respondents while others are a miners .

Table 1.16, Our firm uses information systems to aid with the information flow related to customer service management.

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Agree | 36 | 45.0 | 45.0 | 45.0 |
| Disagree | 11 | 13.8 | 13.8 | 58.8 |
| Strongly Agree | 12 | 15.0 | 15.0 | 73.8 |
| Valid | | | | |
| Strongly Disagree | 2 | 2.5 | 2.5 | 76.3 |
| Neutral | 19 | 23.8 | 23.8 | 100.0 |
| Total | 80 | 100.0 | 100.0 | |

The above table shows; the question related one of the dimensions with the statement saying:

Our firm uses information systems to aid with the information flow related to customer service

management, which seems agree as answered respondents of frequency 36 and mean percent (45.0%), the answer of disagree of 11 respondent (13.8%), the answer of strongly agree 12 of the respondents (15.0%), while the answer of strongly disagree 2 of the respondent (2.5%). while the answer of neutral are

19 (23.8%) respondents. the majority of this statement Agree 36 (45.0%) of the respondents while

others are minor.

2 CONCLUSION

The general objectives of this study were to investigate to determine the role of logistics outsourcing and supply chain performance in Mogadishu Somalia. The majority of the supply chain performance in Mogadishu have adopted logistics outsourcing practices as they seek to survive. Some of the logistics outsourcing practices that have been adopted among most of the supply chain performance in Mogadishu include material handling management practice followed by warehousing management practice and inventory management practice. The other logistics outsourcing practices that had been equally adopted by the supply chain performance

in Mogadishu include transportation management practices and information flow management practices.

The study further concludes that the adopted logistics outsourcing practices have contributed towards the performance of the supply chain performance operating in Mogadishu, Somalia. In fact, the adoption of logistics outsourcing practices has significantly enhanced performance of the supply chain performance in Mogadishu. Among the adopted logistics outsourcing practices, Inventory management practice has greatly and significantly boosted the performance of the supply chain performance in Mogadishu followed by information flow management practice, warehousing management practice, transportation management practice and material handling management practice.

3 RECOMMENDATIONS

After concluding the main findings, this thesis has recommended as solutions for the effect of blindness in the following areas; therefore, this study recommends the following points:

The logistic and supply chain managers working among the supply chain performance in Mogadishu Somalia should embrace transportation management practice and information flow management practices since they were the ones that were least adopted.

The logistic managers of the supply chain performance operating in Mogadishu should

focus more on inventory management practice, information flow management practice and warehousing management practices in they have the greatest contribution towards their overall performance.

The policymakers in the Ministry of Commerce and Industry, Somalia should formulate and implement the guidelines that would support and promote logistics outsourcing practices of the supply chain performance.

The policymakers of the respective supply chain performance operating in Mogadishu should equally formulate sound policies that encourage logistics outsourcing practices that have been adopted.

The policies formulate damming the supply chain performance in Mogadishu by the policymakers should focus more on inventory management practices and information flow management practices since this would greatly enhance performance.

The various practitioners in the field of logistics management should embrace and recommend logistics outsourcing practices for their clients since it contributes towards performance.

In recommending logistic outsourcing practices for clients, these practitioners should give more consideration on inventory management and information flow management practice since they greatly lead to performance of the firm.

The supply chain practitioners should also understand the need to adopt logistics outsourcing practices for better performance.

Acknowledgment

First of all Praise and much thanks be to the Merciful Allah, who granted me the opportunity to successfully complete my academic studies, All praise to due to ALLAH almighty, who give me the energy and chance to accomplish this work successfully. Second I am thanking my supervisor' Prof. Dr. **Atanga D. Funwie, PhD, Vice-chancellor**

I acknowledge as it is my pleasure and obligation to acknowledge all those persons who in one way or other assisted me in the completion of this study, the list is long to be individually acknowledged. However, I am thanking my brothers Mr.ahmed mohamed abdi, nasteha m abdi, muna abdirahman mohamed, ahmed mubarak ahmed, abdirahman ibrahim mohamed, mohamed farah ali, Mohamed suleiman hassan, husein farah abdi and abdiqadir ahmed omar. I wish to express my sincere thanks to Kesmonds International University (KIU-AMERICA). I would like to extend great thanks to my parents who give me both financial and moral support and also to my brothers and sister for their support during my study.

REFERENCE

Abdirahman, M. A. (2017). The effect of SMEs' performance indicator of business turnover as

adimension of economic growth: Borama case (Master's thesis, Anadolu Universities).

Ahmad, K., & Zabri, S. M. (2016). The effect of non-financial performance measurement system on firm performance. *International Journal of Economics and Financial Issues*, 6(6S), 50-54.

Ahmed, I. A., Osman, M. A., Abdulle, O. W., & Musse, M. H. (2018). Exploring the factors that hinder the performance of Small and Medium Enterprises in Somalia (Case Study of SMEs in Mogadishu).

Akbari, M. (2018). Logistics outsourcing: a structured literature review. *Benchmarking: An International Journal*.

Al Shibli, S. S., Daud, D. B., & Karim, A. M. (2019). Resource-Based View on Logistics Strategies: At theoretical Perspective on the Omani Logistics Firms. *Australian Academy of Accounting and Finance Review*, 4(2), 47-52.

Armstrong, G., & Kotler, P. (2015). *Marketing: an introduction*. Prentice Hall.

Bahha, N., Hdidou, W., & Kartit, I. E. (2015). Outsourcing of logistics functions: A case study of a Moroccan retailer. *Scientific Cooperation International Journal of Finance, Business, Economics, Marketing, and Information Systems* 1(1), 15-29

Barney, J. B. (2020). Measuring firm performance in a way that is consistent with strategic

management theory. *Academy of Management Discoveries*, 6(1), 5-7.

Botan, H. S. (2018). The role of small business in economic growth, a case study Bosaso Somalia.

Çelik, S., & Uçak, H. (2019). Logistics outsourcing in fresh vegetable and fruit sector. *Annals of Marketing Management & Economics*, 5(1-2), 19-35.

Dagdeviren, H., & Robertson, S. A. (2016). A critical assessment of transaction cost theory and governance of public services with special reference to water and sanitation. *Cambridge Journal of Economics*, 40(6), 1707-1724.

Dakare, O., & Ikenwa, K. O. (2016). An Examination and Critique of the Outsourcing Concept and Praxi S. *Management & Marketing Journal*, 14(2).

Davis, P. J., & Simpson, E. (2017). Resource-based theory, competition and staff differentiation in Africa: Leveraging employees as source of sustained competitive advantage. *American Journal of Management*, 17(1).

Dmitry, S. (2018). Logistic outsourcing in Russia: Factors influencing entrepreneurial decisions and market prospects. *European Research Studies Journal* 13(2), 305-311

Etokudoh, E. P., Boolaky, M., & Gungaphul, M. (2017). Third party logistics outsourcing: an

exploratory study of theoretical and gas industry in Nigeria.

Evangelista,P.,Santoro,L.,Hallikas,J.,Kähkönen, A& Lintukangas,K. (2019). Greening logistics outsourcing: reasons, actions and influencing factors. *International Journal of Logistics Systems and Management*,34(3), 269-296

Farah,W.H.(2018).Supply Chain Management and Organizational Performance of Manufacturing Companies in Mogadishu-Somalia. Unpublished Project, Kampala International University.

Fowowe, B. (2017). Access to finance and firm performance: Evidence from African countries. *Review of development finance*, 7(1), 6-17.

Garnefeld, I., Eggert, A., Helm, S. V., & Tax, S. S. (2013). Growing existing customers' revenue streams through customer referral programs. *Journal of Marketing*, 77(4), 17-32.

Gele,A.O.M.(2019).Sustainable Supply Chain Management and Competitive Advantage for Manufacturing Companies in Mogadishu, Somalia. Unpublished MSc Research Project, University of Nairobi.

Gulbrandsen,B.,Lambe,C.J.,& Sandvik,K.(2017).Firm boundaries and transaction costs :The complementary role of capabilities. *Journal of Business Research*, 78, 193-203.

Hitt,M.A.,Xu,K.,& Carnes, C.M.(2016).Resource based theory in operations management research. *Journal of Operations Management*, 41,77-94.

Houe,T.,& Murphy,E.(2017).A study of logistics networks: the value of a qualitative approach. *European Management Review*, 14(1), 3-18.

Imbuga, AGuyo, & Wario.(2018).Influence of fleet management outsourcing on service delivery performance in Nairobi Bottlers Limited. *International Journal of Supply Chain Management*, 3(1),46 – 59

Jenatabadi, H. (2015). An Overview of Organizational Performance Index: Definitions and Measurements. [Online],[Accessed 10September 2018].https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2599439.

Joto, B., & Odock, D. S. (2019). Effect of logistics Outsourcing on the Performance of Dairy Processing Firms in Kenya. *Journal of Procurement & Supply Chain*,3(2), 17-35.

Kasie, F.M. & Belay, A.M., (2013). 'The impact of multi-criteria performance measurement on business performance improvement, *Journal of Industrial Engineering and Management* 6(2), 595.

Kavčič,K.M,Gošnik.D.,Beker,I.,& Suklan,J. (2015).How does logistics outsourcing influence organization performance? *International Journal*

of Industrial Engineering and Management (IJIEM),6(3). 101-107

König, A. & Spinler, S., (2016). The effect of logistics outsourcing on the supply chain vulnerability of shippers: Development of a conceptual risk management framework, The International Journal of Logistics Management 27(1), 122–141.

Koniordos, S. M. (Ed.). (2017). Networks, trust and social capital: Theoretical and empirical investigations from Europe. Routledge.

Kyusya, J. M. (2015). Effect of logistics outsourcing on the operational performance of shipping industry in Kenya. MBA Project-University of Nairobi

Lambourdière, E., Rebolledo, C. & Corbin, E. (2017, January). Exploring sources of competitive advantage among logistics service providers in the Americas. In Supply Chain Forum: An International Journal (Vol. 18, No. 1, pp. 36-45). Taylor & Francis.

Leuschner, R., Carter, R.C., Goldsby, J.T. & Rogers, S. Z. (2014). Third-party logistics: A meta-analytic review and investigation of its impact on performance, Journal of Supply Chain Management 50(1), 21–43.

Lin, Y., Pekkarinen, S. & Ma, S. (2015). Service-dominant logic for managing the logistics-manufacturing interface: A case study, The

International Journal of Logistics Management 26(1), 195–214

Liu, C., Huo, B., Liu, S. & Zhao, X. (2015). Effect of information sharing and process coordination on logistics outsourcing, Industrial Management & Data Systems 115(1), 41–63.

Lu, H.E., Potter, A., Rodrigues, V.S., & Walker, H. (2018). Exploring sustainable supply chain management: a social network perspective. Supply Chain Management: An International Journal.

Lucianetti, L., Battista, V., & Koufteros, X. (2019). Comprehensive performance measurement systems design and organizational effectiveness. International Journal of Operations & Production Management.

Ma, F., Xue, H., Yuen, K. F., Sun, Q., Zhao, S., Zhang, Y., & Huang, K. (2020). Assessing the vulnerability of logistics service supply chain based on complex network. Sustainability, 12(5), 1991

Mageto, J., Prinsloo, G., & Luke, R. (2018). Logistics outsourcing and performance of manufacturing small and medium-sized enterprises in Nairobi. The Southern African Journal of Entrepreneurship and Small Business Management. 10(1), a162

Magutu, P. O., Chirchir, M. K., & Mulama, O. A. (2013). "The effect of logistics outsourcing practices on the performance of large

manufacturing firms in Nairobi, Kenya. MBA Project-University of Nairobi

Min, H., Joo, S. J., & Nicolas-Rocca, T. S. (2016). Information system outsourcing and its impact on supply chain performances. *International Journal of Logistics Systems and Management*,24(4),409-425.

Mohamed, N. A. (2018). Entrepreneurial Orientation and Small and Medium Enterprises Performance in Somalia. *Jour of Adv Research in Dynamical & Control Systems*, 10(6).

Muiruri, G. & Iravo, M. (2015). The effects of outsourcing logistics services on operational efficiency in manufacturing industry: A case study of Del Monte Kenya Ltd. *The Strategic Journal of Change and Business Management*. 2(16), 291-316,

Ngonela, D. W., Mwaniki, C., & Namusonge, G. (2014). Drivers of logistics outsourcing practices in tea processing firms in Bomet County. *Journal of Economics and Finance*4(1), 47-57

Ngugi, M. (2016). *International Logistics Networks and Supply chain Value Creation of Airlines in Kenya* (Doctoral dissertation, University of Nairobi).

Njagi, A. W. (2017). *Effect to outsourcing logistics to third party providers on performance of manufacturing firms in Kenya*. Unpublished MBA Project Submitted in the School of Business and Public Management at KCA University