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Logistics Performance as the Key to Business Success: A Study of Century Bottling Company Limited

This study titled “logistics performance as the key to business success” aimed to examine the relationship between logistics performance and business success. The logistics function has traditionally been considered as a mere cost centre, and the function has long been under pressure to demonstrate its strategic contribution to organisational performance. The specific objectives of the study were: to examine the relationship between logistics resource utilisation and business success; to determine the effect of logistics productivity on business success; to ascertain how logistics effectiveness affects business success; and to determine how logistics flexibility affects business success. The study was carried out at the Century Bottling Company Limited (Coca Cola Sabco) head office in Mukono and 9 other Districts in the Central and Northern regions of Uganda. A descriptive quantitative design was used to survey 144 customers and 132 employees of the company. The Value Chain concept provided the theoretical background to the study. Relationships were found between logistics resource utilisation, productivity, effectiveness, flexibility, and business success. The findings also show that logistics performance is associated with customer satisfaction, profitability, market share, and value creation. Logistics flexibility, in particular, was found to be a key driver of competitive advantage. Organisations should, therefore, give the logistics function its rightful place and full support at top management, since it drives long-term success and creates value for all stakeholders. Logistics managers should also shift their focus from cost minimisation to enhancing logistics flexibility capabilities within their operations. The dimensions of efficiency, effectiveness, and flexibility should also be pursued concurrently, rather in isolation, or as competing objectives. This study complements others before it and supports the view that logistics is a strategic function and a source of competitive advantage for businesses.

Key words: Logistics, Business, Success, Company