ADDIS ABABA UNIVERSITY

SCHOOL OF COMMERCE

THE EFFECT OF LOGISTICS MANAGEMENT PRACTICES ON ORGANIZATIONAL PERFORMANCE; THE CASE OF BANK OF ABYSSINIA ADDIS ABABA DISTRICT

BY: SEYOUM TSEGALEM

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ATHESIS SUBMITTEDTO ADDIS ABABA UNIVERSITY SCHOOL OF COMMERCE IN PARTIAL FULFILLMENTS OF THE REQUIREMENTS FORTHE AWARDOF THE DEGREE OF MASTER OF ARTS IN LOGISTICS AND SUPPLY CHAIN MANAGEMENT PROGRAM

ADVISOR: BUSHA TEMESGEN (Ph.D)

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Declaration

I, **SeyoumTsegalemTeklehaimanot**, the undersigned, declare that this thesis entitled: "***The Effect of Logistics Management Practices on Organizational Performance; The Case of Bank of Abyssinia Addis Ababa District***" is my original work. I have prepared this thesis independently with the guidance and support of the research supervisor. This thesis has not been submitted for any degree or diploma program in this or any other institutions and that all sources of materials used for the thesis has been duly acknowledged.

Student Name: SeyoumTsegalem

Signature: _____

Date: _____

Certificate

This is to certify that the researcher entitled "***The Effect of Logistics Management Practices on Organizational Performance; The Case of Bank of Abyssinia Addis Ababa District"*** submitted in partial fulfillment of the requirements for the degree of Masters of Art Logistics And Supply Chain Management of the postgraduate studies, Addis Ababa University School of Commerce is recorded of the original research proposal written by Mr. SeyoumTsegalem**,** under my supervision, and no part of the thesis has been submitted for any other degree. The assistance and help received during the course of this investigation have been duly acknowledged. Therefore, I recommend it to be accepted as fulfilling the thesis research requirement.

Advisor:BushaTemesgen (Ph.D)

Signature: _____

Date: _____

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SEYOUM TSEGALEM

Approval Board Committee

BushaTemesgen (PhD)		
Advisor	Signature	Date
Internal examiner	Signature	Date
External examiner	Signature	Date

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Acronyms

BOA-Bank of Abyssinia

SPSS-Statistical Package for Social Science

RBV-Resource Based View

MRP-Material Resource Planning

VIF-Variance Inflation Factor

SD-Standard Deviation

TOC-Theory of Constraint

Abstract

The purpose of this study is to investigate the effect of logistics management practice on organizational performance in case of Bank of Abyssinia Addis Ababa District. In this study, the quantitative approach of cross-sectional study was chosen, and both descriptive and explanatory designs were used, as well as primary sources of data.The data was collected through structured questionnaire from 161 respondents from Bank of Abyssinia Addis Ababa districts such as the division of general customer service, warehouse, procurement, transportation, and facility clerks in the department of logistics and administration. Cronbach's Alpha was used to check reliability test and bivariate Pearson coefficient(r) statistics was applied for the correlation between the dependent and independent variable. The collected data was analyzed by using The Statistical package for social sciences (SPSS version 26.00) and the correlation analysis result indicated that there is a positive and significant relationship between the variables, but not all dimensions and organizational performance. In addition multiple linear regressions show that except transportation and warehouse all other dimensions had positive and significant effect on organizational performance. The finding of this study indicates that, the customer service management, inventory planning and management, and supply management practices have significant effect and transportation and warehouse management practices have no significant effect on the organizational performance in Bank of Abyssinia Addis Ababa District.

Key words: Logistics, Logistics Management Practices, Organizational Performance, And Bank of Abyssinia

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The banking sector is an integral part of the economy of any country or region as it plays a key role in promoting and supporting its economic growth. Banks are the backbone of the financial sector and catalysts in the economic development of any country. Current changes in their global business ecosystem make of knowledge about the fund-supplying and fund-demanding parties of the society a key resource for the fulfilment of banks' investment and saving functions(Hensman, A. and Sadler-Smith, E., 2011)

There are numerous opportunities in global commercial organizations to provide strategies and advantageous practices such as logistics management practices that aid in gaining a competitive advantage and becoming a market leader. Improving logistics service capability will help to reduce internal costs and increase market and global competitiveness(Boonpattarakan, 2012)

Logistics management is part of chain management of a supply chain which plans, implements and controls the efficient and effective maintenance, forward and backward movement of goods, services and related information between the points of origin to point of consumption in order to meet the requirement of customers (CSCMP, 2012)

Logistics management has a significant role to achieve the superior organizational performance. The vital role of logistics management practices perform in ensuring the effective transfer of resources, goods, and information across an organization's supply chain is a key determinant that shapes the performance of the company (Kilasi et al., 2013). The firm perform logistics management practices in effectively and efficiently manner, the firm can reduce cost, increase production, efficiently utilization of resources, maintain their reputation, encourage quality service delivery, retain and attract customers, and capture competitive advantage (Ruther and Langely, 2010)

Logistics management plays an critical part in helps organizations as they strive for improved management systems, as in business practices, an inefficient logistics system with the inefficient internal management disable the business to responding to the needs of the customers with the

most economical price in a short time frame, including the quality level which does not meet their demands, and would lead it to the competitive disadvantage (Nyaberi and Mwangangi, 2014)

The ability to transport goods quickly, safely, economically, and reliability logistics is seen as vital to success of businesses, and to a nation's prosperity and capacity to compete in globalized economy (Debela, 2013). Logistics have a great contribution in the performance of organization (Ruther and Langely, 2010). For their organization to perform better, the executives of the organizations must be spend their time concentrating on increasing their logistics performance.

As a result to the demands of the new service-oriented economy, plenty of business tasks, and the impact of modern technology, logistics is becoming more significant and challenging. There are several issues as a result of poor logistics management decisions. Buyer dissatisfaction is caused by failed or delayed deliveries. Another potential issue is product damage caused by careless transportation. Poor logistics planning gradually raises costs, and problems may arise as a result of the implementation of an ineffective logistics system. Organizations should implement best logistics management practices to address these issues. The company should prioritize collaboration over competition. Collaboration among transportation providers, customers, and vendors helps to cut costs. Additionally, an efficient and safe transportation provider is critical to business success (Janssen, 2010).

Customer service, managing a warehouse, transport, storage, and handling of material, packaging, and processing information, forecasting demand, planning for production, purchasing, facility supply location, and other responsibilities for an organization in particular could include tasks as after-sales service parts and services support, maintenance duties, return good handling, and recycling operations all of it included in the logistics management practice. Customer service, managing a warehouse, transport, storage, and handling of material, packaging, and processing information, forecasting demand, planning for production, purchasing, facility supply location, and other responsibilities for an organization in particular could include tasks as after-sales service parts and services support, maintenance duties, return good handling, and recycling operations all of it included in the logistics management practice. (Reddy and Jayam, 2016).On the other hand, Logistics is the progression of four distinct areas: warehousing and transportation management, total cost management, integrated logistics

management, and supply management. The logistics industry evolved from tactical transportation and warehouse services to more centralized logistics functions aimed at cost control and customer service.

Logistics' primary responsibility is to geographically position raw materials, work in process, and finished inventories at the lowest possible cost. Logistics is one of the most expensive aspects of doing business. Logistics costs typically range from 5% to 35% of general administrative and sales costs, depending on the type of business (Marchet, et al, 2009) cited by (Emmanuel, 2018).

1.2 Statement of Problem

Currently, business organizations, especially banking service are facing increased competitive pressure, unpredicted market share, change in technology, and dynamically changing regulation. (Roth*et al.,* 2013)

As a result of an ineffective internal management and logistics system the organization's failure to respond to customer needs with the lowest price in the shortest amount of time feasible, along with a quality level that collapses short of customer expectations, would put them at a competitive disadvantage with their competition.(Nyaberi and Mwangangi, 2014).

Logistics management practices are the compulsory for organizational performance. According to (Debela, 2013)logistics activity in Ethiopia are characterized by poor logistics activity, lack of coordination and integration of good transport, and back ground level of the infrastructure for logistics. However, the researcher conduct on the general level of logistics activities didn’t considered important practices like customer service, warehouses particularly in institution. As a result the researcher inspired to conduct his study on financial institutions for the purpose of the study. Because they serve as bridge for national economic activities. The study have done previously by (Minyichil, 2021)were discussed on the dimensions of customer service, inventory, transportation, purchasing and packaging management activities. The Study finding show the organization’s performance was significantly impacted by its customer service, inventory management, and purchasing activities. However, the study wants to carry out further investigation on the variables by including the warehouse, and supply management practice in BOA financial institution.

(Habitye, 2018) And(Manaye, 2019)conduct studies that focused primarily on customer service, transportation, inventory management in manufacturing and service sectors. However, the studywas conducted on Bank of Abyssinia financial institution by including customer service, warehouses and supply management practices.

As collected from the organization training materials and annual report of logistics system of the Bank of Abyssinia is characterized by lack of clarity and completeness of logistics management, lack of coordination supply logistics, inefficient transportation and inadequate material utilization.According to (Janssen et al. 2010), in logistics management unwise decision, lack of skilled manpower and poor logistics planning gradually increase expenses and affect profitability (financially) of the company. Additionally due to increment of the bank expense on the financial year reached 47.9% total expense of the preceding year from this 18.32% holds higher of logistics activity expense. The reason of this increment would be ineffective logistics management planning and implementation performance, which would have an impact on the organization's performance.

According to (Gossaye, 2017)a study on the relationship between logistics management practices and organizational performance of banking industry organizations in Ethiopia was conducted. Organizational performance criteria used in the study covered resource utilization, profitability, and customer satisfaction. The lack of literature regarding logistics management practices and organizational performance in financial institution particularly in the bank industry in Ethiopia is noticeable. As importance as logistics management practice is there is a lack of studies made with respect to the five logistics management practices dimensions, which dimensions are determinants of logistics performance in this study focuses on. Banking industry like the target company of this study face logistics management disruptions as the institution is an ever changing and dynamic place and they need to prepare and face this disruption head-on. The study tries to identify the determinants of logistics management practices in the banking industry. It aims to investigate how logistics management practices influence the organizational performance of the Bank of Abyssinia and which of the dimensions are determinants of organizational performance.

Hence, the study investigate the effect of logistics management practices specifically, customer services, inventory planning and management, supply management, transportation and

distribution management, and warehouse on the performance of the Bank of Abyssinia and was attempted to create a better logistics management practice to implement in order to solve the problem which seen in the organization regarding on the logistics activities.

1.3 The Research Objective

1.3.1 General objective

The general objective of the study is to investigate the effect of logistics management practice on organizational performance of Bank of Abyssinia in Addis Ababa District.

1.3.2 Specific objective

The study attempts to address the following objectives related to the main objective: the effects of logistics management practices on organizational performance of Bank of Abyssinia of Ethiopia in the Addis Ababa District.

- ✓ To determine the effect of customer service management practices on Bank of Abyssinia performance.
- ✓ To determine the effect of inventory planning and management practice on Bank of Abyssinia performance.
- ✓ To investigate the effect supply management practice on Bank of Abyssinia performance.
- ✓ To investigate the effect of transportation and distribution management practice on Bank of Abyssinia performance.
- ✓ To determine the effect warehouses management practice on Bank of Abyssinia performance.

1.4 Hypothesis of the study

H.1 Customer service management practice has significant effect on organizational performance.

H.2 Inventory planning and management practice has significant effect on organizational performance.

H.3 Supply management practice has significant effect on organizational performance.

H.4 Transportation and distribution management practice has significant effect on organizational performance.

H.5 Warehouses management practice has significant effect on organizational performance.

1.5 Significant of the Study

There are numerous factors that influence how well a business firm performs. Among them the five logistics management practices wouldcovered in this study. The study will support the organization's efforts to boost profit, promote resource efficiency, gain a competitive edge, boost customer satisfaction, and generally enhance business performance. It will assist the policy maker in gathering knowledge on logistics related issues and using it as input. By researching on the given dimensions on the financial institution, especially in the banking industry, it will add to the body of knowledge. It serves as a source of information or as a reference for other researchers who are committed and interested to conduct the subjected area. Additionally, it help the researcher to broaden his knowledge and understanding of the subjective.

1.6 Scope of the Study

As a logistics management has a vast area of managerial practices it is difficult and unmanageable to conduct the in all area. As a result, the purpose of this study was to examine how logistics management practices impact organizational performance, particularly as it applies to the performance of the Bank of Abyssinia. in Addis Ababa district. The dimensions which was incorporate the logistics management practices of customer service, inventory planning and management, supply management practices, transportation/distribution, and warehouses; this study was primarily focus on employees providing general services to their bank internal and external customers, delivery effectiveness of facility products to users, warehouses accessibility and efficiency, and supply/purchasing activity in relation to bank performances with respect of limited dimensions. Regarding organizational performance wasdelaminate to customer satisfaction, market share, and financial performance. In addition, the study also delimited for only the staff member on administrative & logistics district, and end user of the logistics facility of the BOA.

1.7 Limitation of the research

The study is subjected to three limitations. These are:-

- ✓ Geographically- the study was covering only the Bank of Abyssinia in Addis Ababa District, but not included the other banks and out lets of the Bank of Abyssinia over all the country due to the time and budget constraint.
- ✓ Conceptually- the study was covering only five dimensions of the logistics management practices and organizational performance.

1.8 Key Words Definition

The key terms definitions are provided in order to ensure consistency and comprehension of these concepts throughout the study.

Logistics is a process of strategically managing the procurement, movement, and storage materials, parts, and finished inventory through the organization(Christopher, 2011).

Logistics management is the subset of supply chain management that plans, executes, reports, coordinates, and controls the flow, efficient, and effective forward and backward movement of goods, services, and related information from point of origin to the point of consumptions in order to meet the needs of the customers (CSCMP, 2010).

Customer Service is a set of actions business takes to assist customers and is a direct one-on-one interaction between a customer making a purchase and the service provider of the company that is selling or giving it (Minyichil, 2021)

Transportation is a collection of activities associated with the movement of people and goods through legal routes. Because of the movement of goods and the creation of additional services, it is particularly significant for logistics(Janusz et al., 2014)

Warehouses is a dedicated area or space use for the management and storage of goods. (Schimidt, 2008)

Customer's satisfaction refers a percentage of total customers, whose report experience with a company, its products, or its services exceeds specified satisfaction and it measure of how well a company's products and services meet or exceed customer expectation (Negaraja, 2012)

Marketing share is a general idea of a company's size in relation to the market and its competitors. (Varadarajan et al., 1993)

Financial Performance is the achievement of the company's financial performance for a certain period covering the collection of finance measured by capital adequacy, liquidity, solvency, efficiency, leverage and profitability (Bhunia. 2011)

1.9 organization of the Study

The study would be organized in five chapters. The first chapter is contain back ground of the study, statement of problem, research question, and research objective, significance of the study, scope, and key words definition. The second chapter iscontain the related literature review. And chapter three will contains the research methodology. The research's fourth chapter repots focused on the descriptive data analysis, correlation analysis, regression analysis, and findings of the study. The final and the last chapter provides the summary of the study, conclusion of the study, recommendations and suggestion for further research so as to solve the observed gaps.

CHAPTER TWO

RELATED LITERATURE REVIEW

The theoretical literature, empirical literature, and conceptual framework are all covered in this study literature review. The theoretical part provides an overview of the notions advanced by prior researchers on the subject over a period of time. The empirical literature refers to prior studies with their findings on the topic area, whereas the conceptual literature refers to graphically illustrating the link between independent and dependent variables.

2.1 Theoretical Review

A theory is a broad assertion of abstractions or concepts that claims, explains, or predicts correlations or connections between or among variables, within the bounds of crucial limiting assumptions that the theory explicitly declares. (Kivinja, 2018)

The following theories/models provide some guidance to the given study.

2.1.1 Resource Based View Theory

According to the RBV hypothesis, the resources of an organization and its ability to convert the materials to profit into a long-term competitive advantage are the keys to great performance (Xiaohong et al., 2010). Resources and capacities, which can be heterogeneously dispersed among firms and were imperfectly mobile, are the two underlying presumptions of the RBV theory, which results in firm differences that are persistent over time (Karia, L., & Wong, K, 2011)

The distinction between one company and another, as well as the success of that company, are both attributed to its unique resources. As a result, the organization's individual resources, competences, and capabilities were a collection of profit the heart of the resource-based viewpoint or its resources (Assabane and El imrani, 2022).

The resource-based view is the foundation for a company's long-term competitive advantage because it assumes that the corporation has access to valuable, tangible, and immovable resources. However, these resources are heterogeneous in character and are not perfectly mobile without good management. Proper management is associated with an organization having

effective corporate governance, since it has become one of the most important factors in evaluating a company's performance (James & Joseph, 2015). Logistics' unique capability can be instrumental in the creation of time, place, quantity, form, and possession utilities within and among firms and individuals with the goal of creating products/services that satisfy the customer through the attainment of value through strategic management, infrastructure management, and resource management (Habitye, 2018)

Resource-based view (RBV) contends that the accumulation of valuable, rare, inimitable, and non-substitutable (VRIN) resources is the foundation of firm competitiveness and economic prosperity (Kozlenkova&Palmatier, 2014). According to (Newbert, 2007) suggest that Value and scarce resources are tied to competitive advantage, and competitive advantage is related to performance. (Ganotakis& Love, 2010) suggested RBV to address the importance of logistics management to a firm, and how logistics flexibility and efficiency are viewed as a source of competitive advantage for commercial firms.

2.1.2 Theory of Constraints

Theory of constraint (TOC) discussed on any firms have a restriction on list one (Simatupang et al., 2004). Which is a management philosophy that seeks to increase manufacturing products by putting efficiency or system performance measured by sales processes that are constraining in the manufacturing system (Goldratt., 2004).Through the identification of (Goldratt., 2004) argues that theory of constraints is based on the principle and the chain is only as strong as the weakest link or constraint and for overcoming and managing the constraint as needed. This theory is originated on the belief of improving the product or output of every machine in the organization will not perform as well as one that conform optimization of the movement of materials and value created through organizational performance. Therefore, TOC is crucial in an investigating the effect of logistics management practices, customer service, supply, inventory, transportation and warehouse management practices on the Bank of Abyssinia.

2.2 Concepts and History of the Logistics Management

The history of logistics can be traced to military logistics (Nyaberi and Mwangangi, 2014). . According to a discussion on logistics from (Simpson and Weiner, 1989), Strategy is the art of handling troops in the theatre of war; tactics are the art of handling them on the battlefield. The

third method is known as logistics in France, and it involves the skill of moving and housing troops. Originally a military operation focused on bringing troops and weapons to the front lines of war, logistics is now recognized as a crucial step in the production process of a company to transport raw materials, semi-finished products, and finished items to markets and customers(G.Santosh Kumar and P.Shirisha, 2014)

Before the 1950s, logistics was viewed from a military perspective. The term logistics was coined in the context of military activity in the late 18th and early 19th centuries, and it gained popularity with the military logistics during World War II. The probable origin of the name is the Greek logistikos, meaning 'skilled in calculating'. Military definitions often include the supply, transportation, and quartering of troops in a set. (Tsenge, 2004)

In fields including science, technology, strategies, and supply chain management, there were numerous significant advancements made during the World War II. After the war, logistics has experienced persistent growth (Chang, 1998)

The military was the only institution that used the term logistics in the 1950s and 1960s. During this time, there was a trend toward applying new administrative ideas to business. Organizations started to consider the concepts of military logistics as a method to enhance their distribution networks in the middle of the 1960s. Since the 1970s, logistics has been the subject of an increasing number of studies and applications. Third Party Logistics (TPL), globalized logistics, and logistics alliances are the current trends in logistics in the early 21st century. However, running and managing a large company is expensive and not economically sound. Logistics circulation is vital to business operations and maintaining competitiveness. As a result, a global industry alliance might reduce labor costs, and a partnership with TPL could enable logistical specialization (Habitye, 2018)

Recent years have seen commercial organizations realize the critical role that logistics management can play in achieving a competitive edge (Christopher, 2011). Nowadays, the term logistics means, in a broad sense, the process of managing and controlling the flows of goods, energy, information and other resources as facilities, services and people. It involves the integration of information, transportation, inventory, warehousing, material handling and packing (Galindo, 2016).

Today, logistics professionals carry out their jobs using their skills, knowledge, and experiences. The responsibility of logistics managers in contemporary industry is to offer suitable and effective logistics solutions. They promise that the appropriate goods will be delivered to the appropriate clients at the appropriate time, location, and in the most practical manner. Despite the fact that logistics is a problem for many businesses, logistical science may help. For businesses that can match their consumers' expectations in the current business environment, logistics is a competitive strategy. Supply chain participants can integrate more effectively with the aid of logistics (Farahani, 2011) cited by (Gossaye, 2017)

Logistics is the process of strategically managing the procurement, movement, and storage of materials, parts, and finished inventory as well as the associated information flows through the organization and its marketing channels in order to maximize current and future profitability through cost-effective order fulfillment (Christopher, 2011).

Logistics is the management of the flow of commodities, information, services, and other resources between points of origin and consumption in order to meet customer demands. Information, transportation, inventory, warehouse, material handling, security, and packaging are all integrated (Sakchutchawan, 2011). Logistics management is part of chain management of a supply chain which plans, implements and controls the flows efficient & effective maintenance, forward and backward movement of goods, services and related information between the points of origin to point of conception in order to meet the requirements of consumers (CSCMP, 2012).

2.2.1 Logistics Management

According the definition of council of supply chain management professionals (CSCMP, 2012): logistics management is a part of chain management of a supply chain which plans, implements and controls the flows efficient & effective maintenance, forward and backward movement of goods, services and related information between the points of origin to point of conception in order to meet the requirements of consumers. Logistics management typically involve inbound and outgoing transportation management, fleet management, warehousing, materials handling, order fulfillment, logistics network design, customer service management, inventory management, supply/demand forecasting, and administration of third-party logistics service providers.

Logistics refers to the planning and organization of operations that ensure that resources are available so that the process can be carried out in an efficient and effective manner (Mellat-Parast, 2014)

The proper flow of goods or services can be accomplished with the aid of logistics management, allowing for the satisfaction of the clients' needs. Logistics include all tasks including customer service, information integration, transportation, inventory management, warehousing, material handling, packaging, security, and then providing effective customer service (Mishra, 2014)

2.3 Logistics Management Practices

Logistics management is a management process that coordinates the transfer of resources, including capital, capital goods, services, and related information, from the appropriate vendors to end users in the appropriate quantities and at the appropriate quality to meet their need.(Kebede, 2021)

Logistics is comprised of five interdependent activities: customer response, inventory planning and management, supply, transportation, and warehousing (Frazelle, 2002)

Customer service, inventory management, transportation, storage and material handling, packaging, information processing, demand forecasting, production planning, purchasing, facility location, and other activities for an organization in particular could include tasks like after-sales parts and service support, maintenance tasks, return goods handling, and recycling operations are every component of the logistics system. R.P. Reddy and R. Jayam, 2016.

According to (Reddy, R.P. and Jayam, R, 2016)) it is obvious that no one company will likely need all of these stated activities to be completed. In order to reach their consumers, service companies like banks, for example, may combine components from information processing, customer services, transportation, material handling and storage, and warehousing operations into a logistics system. The primary point is that all businesses, whether they are for profit or nonprofit, aim for prospective customers. The firm could develop a long-term advantage that is tirelessly for a rival to rival through combining the vital tasks into a customer-focused logistics system(Habitye, 2018).

2.3.1 Customer Service Management Practices

Customer service management refers to how a business manages its client service department and makes it possible for consistently excellent service experiences that increase customer loyalty. It covers everything, from developing new customer care representatives to streamlining the support system to gauging customer satisfaction. Customer service is strongly tied to the distribution and logistical processes. There are numerous elements within this process that may be significant to customer service. These involve quick ordering, product availability, & timely distribution. Level of service offered must be balanced against the cost of that offering (Rushton et al., 2010)

Customer service is the assistance and direction a company provides to individuals who buy or use its products and services. Banks rely on timely, effective customer service to enhance reputations, reduce complaints, and increase income because customers are the industry's lifeline, air, and bloodstream. Improving customer service in the banking industry enables consumers to offer flexible service, dependable service, and has the ability to improve organizational performance. (Minyichil, 2021)

In logistics, customer services cover things like product availability, lead times for getting products, how they look when they arrive, and how accurately orders are filled (Reddy, R.P. and Jayam, R, 2016)

The regular provision of utility at all times is also referred to as customer service. To put simply, goods have no intrinsic value until they are in the hands of the client at the right time and location. Customer service certainly has several facets, include timely delivery and post-sale assistance. Customer service's main goal should be to increase a product's "value-in-use," or the customer's perception of the product's value after the service has added value to it. Organizations that prioritize logistics management are typically those who have won awards for delivering outstanding customer service and have therefore been able to achieve a competitive edge. (Christopher, 2011)

Customer service's task is to provide "time and place utility" throughout the purchasing and selling of products or services. To put it another way, a product or service is pointless until it is in the control of the consumer or customer. As a result, making the product or service 'available'

is what the business' distribution role is all about. 'Availability' is a complex concept in and of itself, influenced by a slew of variables that collectively constitute customer service. These variables could include, for example, delivery frequency and reliability, stock levels, and purchase cycle time. Indeed, the interaction of all the factors that influence the process of making products and services accessible to the buyer determines customer service in the end (Christopher, 2012)

2.3.2 Inventory Planning and Management practices

Inventory refers to the stock of any object or resource used in a business. An inventory system is a collection of policies and controls that monitor inventory levels and determine what levels should be kept, when stock should be replenished, and how large orders should be placed (Meng, 2006).The standard phrase for inventory or stock is stock. It appears that managing materials revolves on inventory. Inventory management has been one of the many analytical aspects of management. It involves optimization of resources available for holding stock of various materials. Lack of inventory can lead to stock-outs, causing stoppage of production, but a very high inventory on the other hand can result in increased cost of production due to high cost of carrying inventory. Thus optimization of inventory should ensure that stocks are neither too low nor too high (Bose, 2006).

Several academics have various definitions of inventory. An idle resource with economic worth that is kept in inventory for use in production or sale later on is referred to as such. Raw materials, partially finished goods used in production, and finished goods that are ready for customer delivery are the typical forms of inventories. The goods or resources repurposed by a business for use in production and sale are referred to as inventory. The things that are used as extra supporting materials to facilitate or enhance production are also included in inventory. The creation of inventory results in one of the fundamental components of current assets, which enables an organization's manufacturing and sales processes to run smoothly. In order to keep the best investment in inventory and implement an effective and efficient control system, inventory management is a crucial component of current asset management (Sindhu, Nirmalkumar, and Krishnamoorthy, 2014).

According to (Julienne, 2017), the value of inventory management can be described as price benefits plus transaction costs minus technology lock in costs. Price advantages come from avoiding theft, obsolescence, and damage, as well as retaining capital and ordering costs, carriage costs, and shortage costs. Lower inventory costs benefit the business that effectively controls its inventory. Business personnel must completely grasp the costs of carrying inventory, not just how much the inventory costs to purchase. Inventory carrying costs include all costs incurred by the business to acquire inventory. In this case, the cost of capital, storage, and risk costs (including obsolescence, damage, theft, and deterioration), as well as the proper taxable amounts, are included.

Inventory management is the process of effectively managing the continuous movement of units into and out of an existing inventory. This procedure typically entails controlling the transfer of units in order to keep inventory from becoming too high or dwindling to levels that could jeopardize the company's operations. Competent inventory management also attempts to control the costs associated with the inventory, both in terms of the total value of the products included alongside the tax liability produced by the inventory's total valueincluded alongside the tax liability produced by the inventory's total value(TOUNG, 2014)

2.3.2.1 Types of Inventories

Using the generic definition of inventory, a wide range of circumstances can be classified as inventory management issues (Bose, 2006).

These are some examples:

A) Inventory of raw resources as an input to the manufacturing system.

B) bought-out-parts (BOP) inventory, which is used immediately in product assembly.

C) Work-in-progress (WIP) inventory, also known as work-in-process inventory or flow inventory.

D) Inventory of finished goods to facilitate customer distribution.

E) Supplies for maintenance, repair, and operation (MRO). Spare parts, indirect materials, and other miscellaneous items needed for production/service systems are included.

The following are the reasons for having inventory in the production/service system:

Requesting a good and getting same at the point of use are distinct by a time lag. Whenever we place a replenishment order, there is a delay until the materials reach at the point of usage. We refer to this as "replenishment lead time."

Lead times vary to some extent in all cases, especially in the supply environment in India, where there is probable a "just-in-case" attitude in place.

Demand variability - Additional stock will be required to act as a buffer to absorb the demand variations if we are unable to forecast demand or if demand is unclear.

Seasonal inventory - If the demand is cyclical or seasonal, gathering inventory during the lean season in order to satisfy the peak season's demand may be used as a technique in the planning of aggregate production. This tactic produces inventories at somewhere during the year.

Pipeline inventory is the stock that results from distributing an item or a commodity across a long distance, making "goods in transit" a significant factor. This is what the pipeline inventory consists of. This is referred to as in-process inventory or work in progress (WIP) in the context of production operations. It is also referred to as inventory in terms of idle resources trapped in the nonproductive state.

Other factors - Inventory is sometimes kept to account for other situational parameters like inflationary pressures, market shortages of materials, quantity discounts to encourage bulk purchasing, or simply the desire to spend the budget designated for materials before the end of the financial year. As a result, large and occasionally unnecessary purchases are made that eventually turn into dead stock.

2.3.3 Supply Management Practices

Every business needs suppliers. A company cannot function without suppliers. Therefore, not only will the performance of the suppliers be impacted by the organization's approach to suppliers, its acquisition processes and rules, and its relationships with suppliers, but also the organizations own performance. Without the operational and long-term strategic backing of its supplier base, no business can achieve success. The business must either raise revenue, cut expenditures, or do both in order to boost long-term shareholder value. The contribution of

supply should not be seen as being purely cost-driven. Revenue growth can and should be a concern for supply (Christopher, 2007) cited by (Gossaye, 2017).

Attention has been drawn to the function of logistics because of the numerous physical movements involved in any purchasing or supply chain operation. The success of an organization is greatly influenced by effective purchasing and supply management. The procurement of products, services, and equipment of the proper qualities, in the proper quantities, at the right rates, at the right times, with the correct quality, and always has always been the focus of managers in the private and public sectors in general. The traditional procurement process phases are simply one aspect of purchasing or supply management. (1) the identification of a need, (2) the translation of that need into a commercially equivalent description, (3) the search for potential suppliers, (4) the choice of an appropriate source, (5) the agreement on the specifics of an order or contract, (6) the delivery of the goods or services, and (7) the payment of the supplier (Christopher, 2011)

The success of an organization overall can be seriously influenced by purchase and supply, often known as procurement, one of the fundamental connections in the supply chain. It goes without saying that any manufacturing facility must guarantee that there are adequate quantities of raw materials that are available when needed, at the proper price, with the necessary quality, and in the appropriate location (Rushton, 2010).

A new viewpoint of procurement's function in supply chain management has been sparked by the shifting emphasis on it as a critical competence in enterprises. Focusing on participating in aggressive transaction-focused negotiations with suppliers, the organization has given priority to making sure that it is in a position to accomplish its branding and manufacturing strategies with the support of its supply base. It places a lot of focus on supply assurance, inventory savings, and enhancement of quality, supplier growth, and lowest total expenses of ownership.(Gossaye, 2017).

2.3.4 Transportation Management Practice

Transport refers to a group of assignments that deal with the transportation of people and goods through legal channels. Due to the movement of goods and the growth of other services, logistics put a special emphasis on it (Grabara, 2014).

From the creation of the product through its final delivery to the desired place, transportation is an essential role in the logistics chain. Transportation provides the critical service of connecting a company to its suppliers and customers by moving things from where they are sourced to where they are wanted (Reddy, R.P. and Jayam, R, 2016)

Transportation connects multiple phases; the concept of business logistics is the design of all these activities and sub-functions into the system of goods movement in order to reduce cost and maximize service to clients. Once implemented, the system must be efficiently managed (Gossaye, 2017)

According to Fair et al., (1998) cited (Gossaye, 2017)suggested that; Transportation plays an important part in the logistics system in terms of service quality. Goods might be delivered to the correct place at the right time thanks to a well-managed transportation system. Precise pickup and delivery times, predictable transit durations, no loss or damage, as well as accurate and quick sharing of knowledge and accounting, are all a a part of the transportation management services.. All of this contributes to the company's ability to please customers. As a result, transportation serves as the foundation for efficiency and economy in company logistics and increases other functions in the logistics system. Furthermore, a good transportation system conducting logistical activities enhances not only service quality but also firm competitiveness. An effective transportation system could boost service quality, save operating costs, and improve logistics efficiency. The transportation system is the most essential source of revenue among the many firm logistics systems. Transport expenditures make up about one-third of an enterprise's logistics costs.

2.3.5 Warehouses Management Practice

Warehousing is the process of keeping physical inventory for sale or distribution. Warehouses are used by all types of enterprises who need to temporarily store things in bulk before delivering them to other sites or individually to end users. The primary functions for a warehouse involve handling transport to consumers, composing client orders, developing an assortment for clients, delivering goods on time and according to the customer's tastes and occasionally adding value to orders through customization techniques.(Goksoy, 2013).

Warehouse management is the art of operating a warehouse and distribution system or, better still, of operating it efficiently. Excellent logistic performance can open up new markets while customers expect speed, quality and minimized costs. Warehouses and material handling systems are the core elements within the goods flow and build the connection between producer and consumer (Ten Hompel And Schmidt, 2008)

According to (Jinxing, 2010): Receiving, managing, storing, order picking, and shipping are all a part of warehouse logistics.

Reception. We must accurately record each item's ID information when it arrives, unload the goods, and check to see that they line up with the bill of lading.

Storage. After the commodities have been identified, we must place them in the warehouse based on volume, weight, and turnover.

Inventory Control. We need to know not only what products we have in our warehouse, but also where they are and what moves they are susceptible to.

Shipping. It is the process through which we prepare the necessary paperwork for shipments, physically inspect the cargo to ensure that the items listed on the bill of lading match the items, and load the shipment into the appropriate freight vehicle.

Picking. Means selecting and gathering goods in our warehouse to meet the requested deliveries.

2.4 Organizational Performance

The way a business performs in relation to its goals and objectives and the actual outcome of a company as compared to the output that company intended to produce are both considered aspects of organizational performance (Almatrooshi et al., 2016)

Operational Performance is a company's capacity for reducing management costs, lead times, order times, adopting customer responsiveness, increasing customer satisfaction, fast delivery service, reliability, flexible service, and increasing market share while enhancing the efficiency of service distribution (Cook, 2011).

Measuring is a means of quantifying the efficacy and efficiency of actions that result in achievement and refers to a company's performance measurement system. Three key advantages

of a good measurement system should emerge: reduced costs, improved customer service, and the generation of robust growth.(Shangand Marlow, 2007)

There are various metrics for measuring an organization's performance, including financial, marketing, and business metrics as well as operational, customer satisfaction, and customer retention metrics. However, the researcher's attention is primarily on the financial, market share, and customer satisfaction of organizational performance (Cook, 2011).

2.5 Empirical Literature Review

The worldwide study from previous researchers regarding the practice of logistics management, the effectiveness of business organizations, and the impact of logistics management practices on organizational performance will all be covered in this area of the literature review.

2.5.1 Empirical Literature of Logistics Management Practices

The study done previously by (Bagshaw, 2017) Logistics is crucial in a market that is highly competitive because it ensures that goods and services are available to clients at the appropriate time and location, It encourages high levels of efficiency and effectiveness, which in turn leads to greater results.. Organizations' performance management indices in terms of market share, profitability, and overall effectiveness are influenced by logistics management as a strategic vector. The ordering process and inventory management are being severely hampered by very bad logistics management, which has an impact on the performance of the businesses.

According to Strategic logistics management, a firm may have a significant competitive advantage if it is able to meet customer needs on a worldwide scale faster and more successfully than competitors.The efficiency and efficacy of the logistics operation have a significant impact not only on the business success of firms, but also on the customer's view of the quality of the plant's products and services.

According to (Kuswantoro, 2012)Logistics is a vital aspect of a supply chain that organizes, implements, and controls the movements of money, goods, services, and related information from point of origin to point of conception in order to fulfill the needs of consumers, form time and place utility, and improve the company's performance.

According to the study done by the (Muslimin et al., 2015) shows that the logistics operation has a significant impact on the financial performance of the organization. This study concluded that the organizations well done their logistics operationand the company become financially well performed.

According to a study by Habitye (2018), customer services & transportation management in particular have made a significant contribution and have the ability to predict organizational performance.

According to (Minyichil, 2021)discussed that the logistics management activities of customer service and purchase/supply activities have critical contribution for the organizational p0rofitability. On this study customers are the life bloods for all of the bank service and financial sectors, in case customer service management practices have its own roles for the organizational performance.

According to a study (ONYANGO, 2015) on the operational performance of the commercial bank in Kenya and the logistics management practices used there, larger banks use logistics management practices such as information technology, inventory management practices, transport and traffic practices much more than small and medium size banks do in all aspects of the practices.

2.5.1.1 Customer ServicesManagement Practices

The regular provision of utility services at certain times and places is referred to as customer service. To put it differently, products do not have value until they are in the possession of the client at the proper moment and place. On-time delivery and after-sales assistance are only two examples of the many aspects of customer service.A product's "value-in-use," or the customer's assessment of the product's value after the service has added value to it, should be increased as the primary objective of customer service. Organizations that prioritize logistics management are frequently ones who have been recognized for providing excellent customer service and have thus been able to gain a competitive edge (Christopher, 2011)

Customer service is refers to all the activities involved in making it easy for customers to reach the right parties within the company and receive quick and satisfactory service, answers, and

problem resolutions. As a result, customer service can serve as the foundation for customer retention and satisfaction (Wei and Nair, 2006)

According to (Wei and Nair, 2006) CSM refers to how effectively, productively, and qualitatively the business manages its customer service. The way businesses manage their customer services to provide value and satisfaction is reflected in CSM. When a company has a high customer retention rate, it means that its existing clients are happy with the services it provides. Client satisfaction may therefore be indicated by client retention. suggest that According to the researcher, the organization's success and failure are powered by the blood of the customer; as a result, efficiently meeting customer expectations and monitoring customer happiness leads to customer contentment, and through it, company performance may be enhanced. As a result, customer service management has a considerable impact on organization performance.

According to Adriana and Daniala (2010) suggest that, Customer service plays a part in the exchange of products and services between the supplier and the buyer by offering time and location conveniences.. In another instance, a product is worthless until the customer has it in their possession. A complex idea that is influenced by numerous elements that collectively make up customer service is availability. These elements include the frequency and security of the deliveries, the stock level, and the interval till the order is fulfilled.

The previous study done by (Melaku, 2015)on the impact of service quality on customer satisfaction. According to the finding of the study, suggest that the customer service quality have its own positive contribution towards their loyal customers of the organization.

2.5.1.2 Inventory Planning and Management Practices

According to the study of (Lin ett al., 2018) addressed how to study the theory of inventory management by concentrating on and investigating the facilitative role of financial performance in determining the product quality improvement, which is frequently linked with inventory management. The study also affirms the value of inventory control within a wider context of operations management. The success of the bank determines whether it will make a profit and whether the customer will be satisfied.

Inventory management is a task that arranges the products' accessibility to clients, from sale items to consumables and replacement parts. A balancing act that ensures high inventory is available for sale while allowing operations to operate in long runs for greater efficiency. It also balances working capital and cash flow while purchasing long run orders for more efficiency (TOUNG, 2014).

Inventory management, which is sometimes mistaken for inventory management, is "the process by which the investment in materials and parts carried in stock is regulated within predetermined limits set in accordance with management's inventory policy." Establishing inventory policies, setting investment patterns and regulating them in accordance with individual and group needs, as well as monitoring the effectiveness of the inventory policy and making necessary adjustments are all part of inventory control and management activities. (TOUNG, 2014)

According to (TOUNG, 2014)addressed how optimizing stock levels is important for companies trying to keep up with ever changing client demands. Inventory management strategies help organizations do this.It is possible that The IMP significantly affects the bank's return on equity since the companies who followed these practices were able to improve their operational efficiency and provide their consumers with exactly what they wanted, when they needed it. Since the company adopted standardized EDI technology, the return on sales has been impacted. However, a result reveals that most of it does not account for the element of relevance and effectiveness to the task demands and requirements. It ensures that various inventory management systems' industry-specific needs will be met, (JIT) and obtaining situations are addressed prior to the technology's adoption.

2.5.1.3 Supply Managementpractices

Today’s competitive world, it is very important for every banking organization to be cost effective and at the same time quite responsive toward the feedback from end customers to gain position in the market. Banking industry is facing tough challenges to make the services available at desired rate and quality with less expense, and suggest that banks must focus on the efficiency of various operations that are done both inside and outside the organization in order to produce the services and to deliver services to the end consumer at desired service level (Thakur and Anbanandam, 2015).

According to(Gossaye, 2017) previous study, supply management activity in the banking industry, including procurement activity, has less significant to company profitability and customer satisfaction. In a sense, the study implies that the company must follow a great procedure and effectively supply management practices in order to gain a grateful result for the company growth as well as for their customer satisfaction.

Every business need suppliers. A company cannot function without suppliers. Therefore, not only will the performance of the suppliers be impacted by the organization's approach to suppliers, its acquisition processes and rules, and its relationships with suppliers, but also the organizations own performance. Without the operational and long-term strategic backing of its supplier base, no business can achieve success. The business must either raise revenue, cut expenditures, or do both in order to boost long-term shareholder value. The contribution of supply should not be seen as being purely cost-driven. Revenue growth can and should be a concern for supply. Successful supply and purchasing strategies play a major role in organizational performance. Managers in the public and commercial sectors are focused on finding the appropriate products, services, and equipment at the right prices, in the right quantities, on schedule, with the right quality, and continuously.(Gossaye, 2017)

The phrases "purchasing," "supply management," and "procurement" all refer to the coordination of related processes to deliver efficient and effective products and services to the organization. Consequently, purchasing or supply management is concerned with more than simply the usual procurement process steps: identifying a need, converting that need into an economically comparable description, looking for possible providers, choosing an appropriate source, determining the specifics of an order or contract, delivering the goods or services, and paying suppliers. (Christopher, 2011)

2.5.1.4 Transportation and distribution Management Practices

Transportation is a critical and significant sub-function of logistics that provides time and location utility to products. Indeed, transportation management is the backbone of the entire supply chain, allowing for the achievement of the well-known seven R’s: the right product in the right quantity and quality, at the right place, at the right time, for the right client at the right cost (Kumar and Shirisha, 2014)

Transportation accounts for one-third of logistics expenditures, so it has a significant impact on logistics system performance. The following advantages of a competent transportation management system are due to the necessity of having a cooperative network of shippers, carriers, and clients: Lower costs achieved through improved route planning, load optimization, carrier mix, and mode selection, enhanced accountability with visibility into the transportation network, more adaptability in changing delivery plans, and fulfillment of crucial supply chain execution criteria (Gossaye, 2017)

(TAYLOR, 2005) Estimates that since transportation accounts for one-third of logistics expenditures, it has a significant impact on how well logistics systems function. A transportation management system is a vital component of logistics management and the logistics operation that caters to the necessities of the many supply chain activities. Lower costs due to better route planning, load optimization, carrier mix, and mode selection; improved accountability due to visibility into the transportation chain; greater flexibility to respond to changes in delivery schedules; and satisfaction of crucial supply chain execution requirements are all benefits of a good transportation management system. A network of cooperative shippers, transporters, and clients is also essential.

According to Fair et al., (1998) and (Gossaye, 2017)suggested that; Transportation plays an important part in the logistics system in terms of service quality. Goods might be delivered to the correct place at the right time thanks to a well-managed transportation system. Services for transportation management include exact pick-up and delivery timings, predictable transit durations, no loss or damage, as well as accurate and prompt information sharing and billing. All of this contributes to the company's ability to please customers. As a result, transportation serves as the foundation for efficiency and economy in company logistics and increases other functions in the logistics system. Furthermore, a good transportation system conducting logistical activities enhances not only service quality but also firm competitiveness. An effective transportation system could boost service quality, save operating costs, and improve logistics efficiency.

Its major purpose is transportation, which includes the time the charge is in use for moving, moving traffic, and parking. The transport collecting point also serves as a location for loading, unloading, and long- or short-term load storage. In addition to the movement, the transport also involves extra services like logistics, freight forwarding, control, etc. These services, together

with intangible services, are involved in planning and controlling the mobility processes. Effective operations of enterprises in almost every sector of the economy requires a well-functioning transport (Grabara et al., 2014).

2.5.1.5 Warehouses Management Practices

These businesses gain a competitive advantage by regularly checking their sales data to guarantee that the items stocked near the shipping area are still the most commonly picked. Warehousing is the storage or preservation of large numbers of items from the moment they are purchased or manufactured until they are used or sold. As a crucial component of logistics, it is a critical component of contemporary supply chains and plays a critical role in the success or failure of businesses today (HUANG, 2011.)

The task of successfully and efficiently coordinating all warehouse activities and procedures is known as warehouse management. It covers all planning and controlling activities that are involved with directing the operation's continuing operations in a way that satisfies consumer demand, as well as operating warehouse procedures. It is primarily influenced by work difficulty and just somewhat by market dynamics. According to the study's findings, the complexity of the planning and decision-making processes increase with the complexity of the warehousing task. (*Fazber, De Koster, andSmidts, 2013*)

The warehouse is critical to the company's capacity to meet its productivity goals. Utilize a warehouse management system to move goods through your warehouse as rapidly as possible in order to maximize efficiency, uniformity, and quality control throughout the fulfillment process. Consolidation, cross docking, transshipment, product fulfillment, returned goods depots, and many more roles including customer support, installation, and maintenance services are some of the most crucial tasks of a warehouse. (SAYEED & IBNE, 2013).

2.5.2 Empirical Literature of Organizational Performance

Different academics from various disciplines have defined organizational level performance over a range of time periods. As an illustration, consider Michel Lebas (1995), Didier Noyé (2002), Folan (2007), Bartoli and Blatrix's (2015), and so on. The performance of an organizational system, according to Rolstadas (1998), is a complicated relationship including seven

performance criteria that must be adhered to: effectiveness, efficiency, quality, productivity, work quality, innovation, and profitability. The fulfillment of the aforementioned requirements, which may be thought of as performance objectives, is strongly tied to performance *(Elena-Iuliana and Maria, 2016)*

Organizational performance refers to an organization's success or effectiveness as well as an indication of how well it is functioning as a whole to accomplish its goals. Organizational performance is primarily concerned with an organization's aptitude and ability to properly utilize available resources in order to achieve accomplishments according with the company's established objectives, while also evaluating their relevance to its users. The performance of an organization is thought to be capable of covering broader topics such as the relationship between performance and organizational goals (effectiveness); organizational resources (efficiency); and stakeholder satisfaction. (Relevancy) (Jenatabadi, 2015)

(Cook et al., 2011)had explained that operational performance is the capacity of a business to reduce management costs, lead-time, order-time, adopting customer responsiveness, increasing customer satisfaction, fast delivery service, reliability, flexible service, and increasing market share while enhancing the effectiveness of service distribution.

Both internal and external factors have an impact on the profitability of financial organizations, particularly banks. Environmental variables, which are external influences, and bank-specific variables, which are internal factors, are both anticipated to have an impact on the profitability of banks. Internal elements that have an enormous effect on a business's performance including its capital adequacy ratio, asset quality, asset size, and liquidity, net worth, earnings quality, business risk, loan performance, management quality, people, technology, and operational environment. Additionally, macroeconomic issues and an industry-specific determinant are external influences. Real GDP growth, inflation, effective tax rate, regulation, and organizational concentration (Ayele, 2012)

2.5.3 Logistics Management Practices and Organizational Performance: Empirical Literature

Previous research were undertaken by numerous scholars at various organizational levels and disciplines. For example, logistics practices in Ethiopia (Debela, 2013), rift valley

bottlemanufacturing industry (Nyaberi, J.N. and Mwangangi, P., 2014), effective logistics management (2016), performance of manufacturing companies and logistics management 2019), service organization/Ethio-telecom (Habitye, 2018), Garment industry/Lemi industry (Khan and Rattanawiboonsom, 2020) and (Wonduante, 2019), and Breweries S.C (Melaku, 2015)have previously conducted research on logistics management and organization.

According to (Minyichil, 2021), the findings show that customer service activities, inventory activities, purchasing, transportation activities, and packaging activities are important and critical logistics activities in the organization that play a vital role in improving organizational performance. It has been mentioned that the customer service, inventory, and buying logistics management activities has a statistically significant impact on organizational performance.

A study conducted by (Gossaye, 2017)discussed the impact that logistics management methods have on an organization's success. To enhance organizational performance, advocate for the establishment of standardized logistics management activities and procedures.

2.6 Review of Literature and Research Gap in Brief

Table 2.1 provides an overview of the researcher's current research.

Dimensions	Analysis Tools	Objective of Study	Target Sample
Logistics Management practices 1, customer services 2, inventory planning and management 3, supply management 4, Transport management 5, Warehouses management Organizational performance 1, customers satisfaction 2, market share 3, financial performance	Descriptive analysis And Inferential (correlation and regression) analysis	To investigate the effect of logistics management practice on organizational performance of Bank of Abyssinia in Addis Ababa District.	Employees of Bank of Abyssinia, Addis Ababa District.

Table 2.2 summarizes the literature review and the variations from the current investigation

Researcher	topic	Dimensions and attribute	Tools of analysis	Objective of study	Target Samples	Variety between the study
(Minyichil, 2021)	The effect of logistics activity on performance of Commercial Bank of Ethiopia in Bahir Dar District	Logistics activity . customer service . transportation . inventory . packaging . purchasing Bank performance . reliability . lead time . Flexibility . access . responsiveness . credibility	. descriptive and inferentialst atistics	To investigate the effect of logistics activity on performance of Commercial Bank of Ethiopia in Bahir Dar District	Branch employees	. Research title . research objective . sampled industry . research variables and attributes
(Manso, J. F. A. J. a. A. S. S, 2013)	Assessment of logistics management in Ghana health service.	Effective and efficient logistics management -Procurement strategies -Operation strategies -Distribution strategies	-Inferential statistics (correlation and regression analysis)	. To assess the logistics management in Ghana health services.	The key players in health logistics management and the end users	.Study title .Study objectives . Targets Sample . research dimensionand attributes
(Nyaberi, J.N. and Mwangangi,	Effect of logistics	Logistics management	.Descriptive analysis	To investigate	Employs of	. Sampled industry

P., 2014)	management practices on organization performance in Kenya.	practices . order processing logistics . transport control . Inventory control .Information System		the effect of logistics management practice on organization performance .	accounting department, purchasing department, transport and store department	. Research variables and attributes
(Korsita, A, D. B. and Cania, L, 2016)	Effective management of logistics-an empirical study of Albania.	Logistics activities . Information Sharing . Inventory Management . Packaging . Transportation	Factor and reliability analysis	.To identify the most important aspects of logistics		Sampled industry . Research variables and attributes
(Debela, 2013)	Logistics practices in Ethiopia.	LogisticsPractices	Qualitative evaluation of secondary data and literature reviewed	Toassess logistics practices	Companiesin Ethiopia involvedin freight transport importand export	.Researchtitle .Research Objective .Sampledindustry .variablesand attributes .Analysi

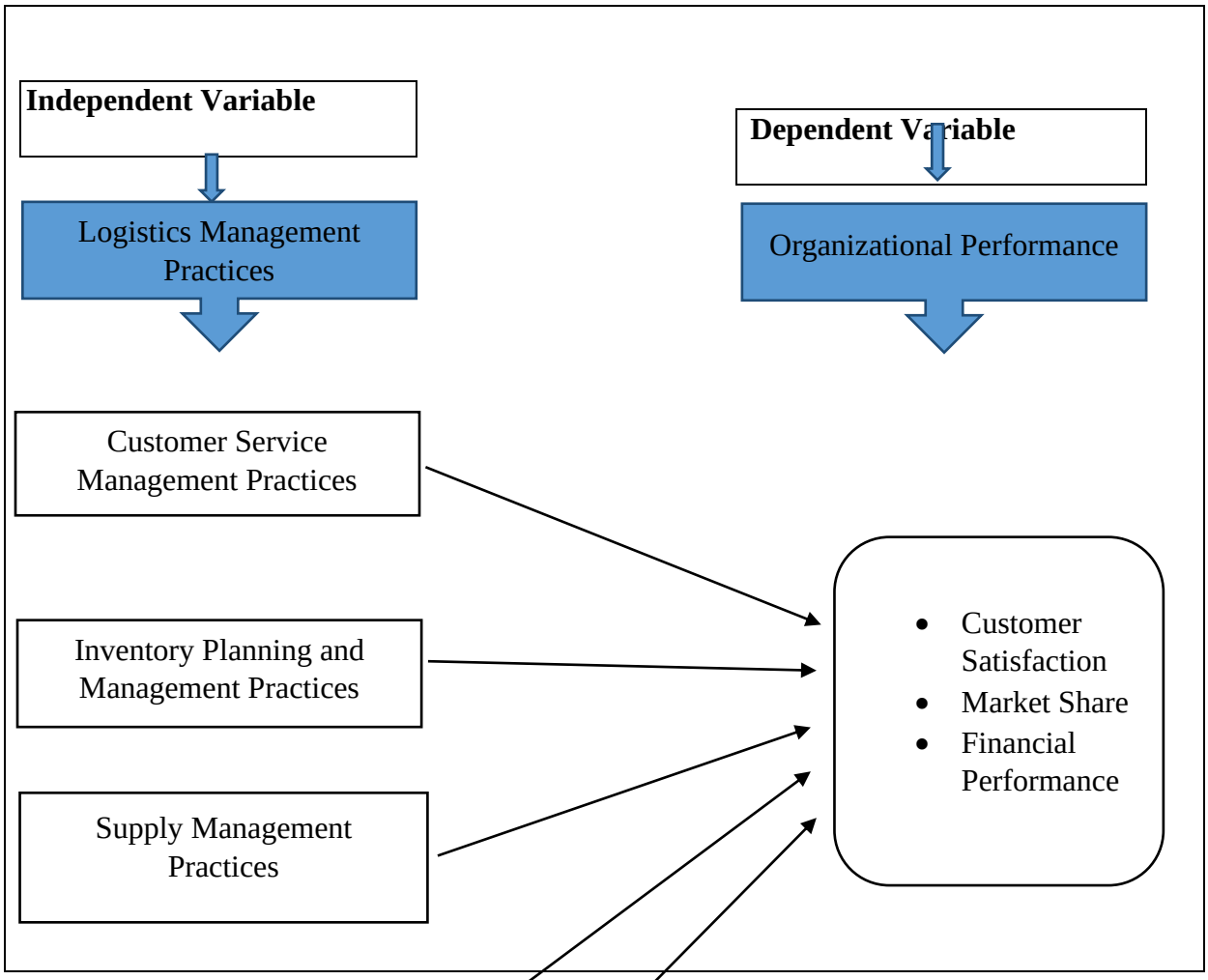
						stool

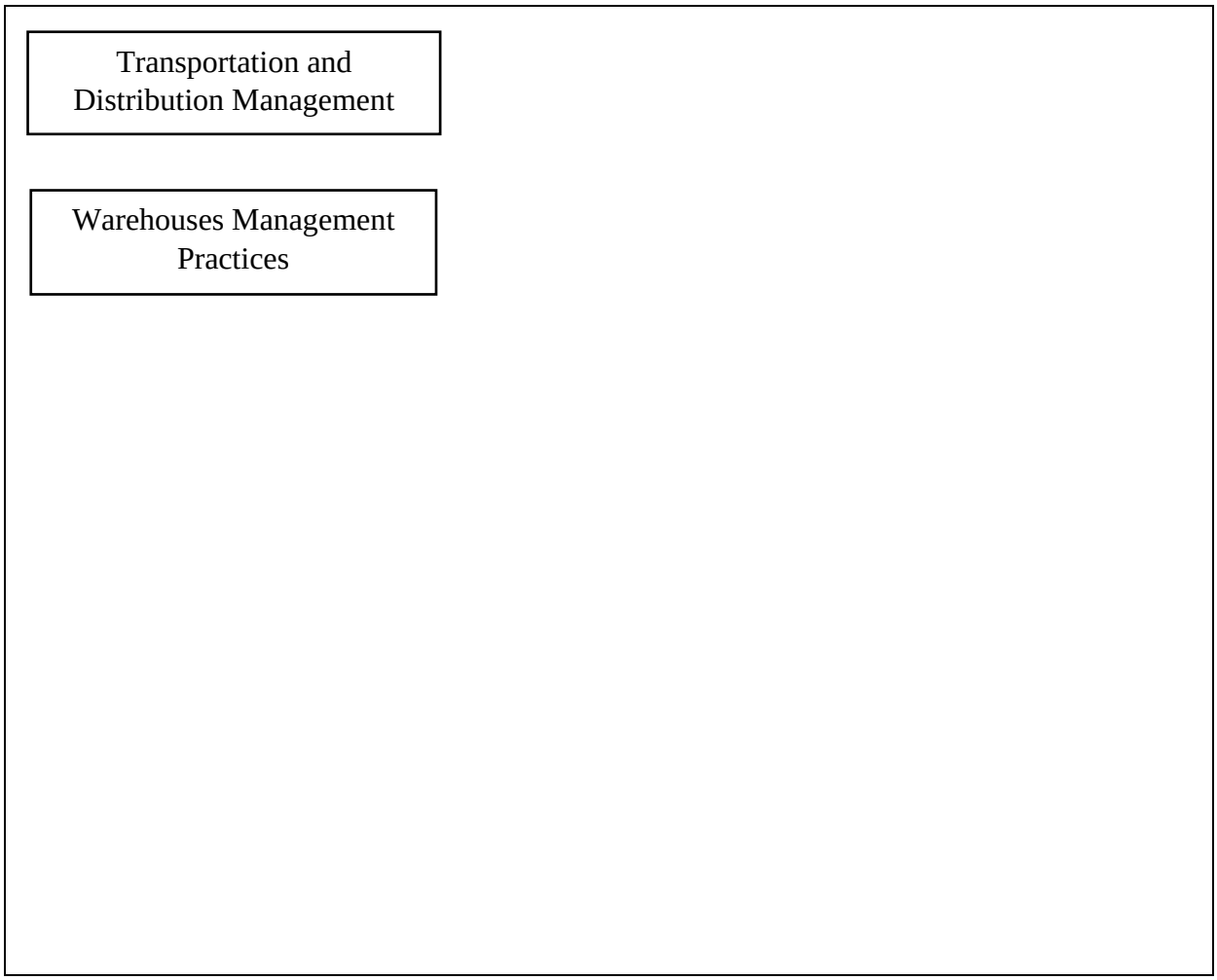
Source: own review (2023)

2.7Conceptual Framework

A conceptual framework is a graphic or written output that illustrates the key ideas or variables under investigation and the predicted relationship between them (Tirimba& Ombui, 2015)

The conceptual framework is the most basic approach of demonstrating theories with figures that everyone can grasp. Customer service management practices, inventory planning and management practices, transportation and distribution management practices, warehouse management practices, and supply management practices were used as independent variables in the study, whereas the Bank of Abyssinia's performance served as the variable that is the dependent variable.





Source: Adopted with modifications from (MWANGANGI, 2016)

Figure 2.1 Conceptual Framework

2.6 Gaps in the Literature

Most of the time, there is a mismatch between the ideas of supply chain management and logistics management. However, a part of supply chain management includes logistics management.. Different organizational levels as well as national levels implement logistics management techniques. Although the study will be used for the private and public banking industries, the material that is most frequently seen is focused on manufacturing and service organizations. Some earlier studies are more limited in outsourcing logistics in manufacturing and service organizations, but there is insufficient research in the banking sector. Most studies are focused on Kenya and other African countries such as Malaysia and Ethiopia in

manufacturing, service (Ethio-Telecom), garment, and brewery organizations, but the study would be concentrated on logistics management practices on Bank of Abyssinia in Ethiopia.

CHAPTER THREE

RESEARCH METHODOLOGY

This chapter includes a description of the study area, research approach and design, population design, data source and type, data collection procedure, method of data analysis and presentation, reliability test validity test, and ethical considerations.

3.1 Description of the area, Research Approach,andDesign

3.1.1 Description of the area

The main purpose of the research area to investigate the effect of logistics management practices on Abyssinia Bank performance, case of Addis Ababa District. Abyssinia Bank was open for business in 1996 with enthused initiation and determination. The name Abyssinia resembles bravery and character which is the core attributes of Bank of Abyssinia. Its identity is demarcated with a sense of hope, optimism, and belief as it is perfectly displayed in its logo, the Aday Ababa it brings the promise of new beginning. Currently Bank of Abyssinia have 10 Districts, the sevens are outline meaning around Addama, Jimma, Diredawa, Bahirdar, Mekele, Dessie, and Hawassa and the left threes are in Addis Ababa (West, East, and Central Addis Ababa districts) Bank of Abyssinia have reached over 779 branch's among these 283 are in Addis Ababa. The study was focused on the threes of Addis Ababa districts. (WWW.Bankofabyssinia.com, 2023)

3.1.2 Research Approach

A research approach is the method chosen by the study to collect, analyze, and interpret data. The study used a quantitative research approach to investigate the effect of logistics management practices on the performance of Abyssinia Bank Addis Ababa District, because quantitative approach is a better way to test objective theories by examining the variables and to answer predetermined question, examine cause and effect, and make predictions about the relationship between logistics management practices and organizational performance. Determinism suggests that examining the relationships between and among variables is central to answering questions and hypotheses through surveys (Creswell John and David, 2018).

3.1.3 Research Design

A research design is a plan or strategy for organizing research and making it feasible, so that research questions can be answered using evidence and warrants (Cohen Manion, & Morrison, 2018). A research design is the blueprint or plan for data collection, measurement, and analysis. The study was used look at the effect of logistics management practices on organizational performance of Bank of Abyssinia Addis Ababa District. To accomplish this goal, the study

employs a descriptive and explanatory research design. The descriptive research design is devoted in gathering of information about fundamental conditions or situations to the purpose of descriptive and interpretation activity. Explanatory research designs make an effort to explain why and how two or more aspects of a situation or phenomenon are related to one another, additionally, it is carried out to find and report some correlations between various variables of the event being investigated (Boru, 2018)

3.2 Research Population and Sampling Design

3.2.1 Study Population

The study investigate the effect of logistics management practices on the performance of Bank of Abyssinia in the Addis Ababa district. Bank of Abyssinia has ten districts throughout the country, three of which are located in Addis Ababa. These districts are East Addis, West Addis, and Central Addis. The study picked three districts in Addis Ababa. The researcherchoose these districts based on the number of branches they have. Bank of Abyssinia has 779 branches throughout the country, with approximately 283 of these branches located in the East, West, and Central Addis districts. There are a large number of branches in these three districts; if there are a large number of branches, the bank logistics expense will be higher than in smaller branches. As a result, the researcher was concentrated his efforts in the Addis Ababa districts.

The studyused a statistical population of the employees in bank of Abyssinia in the directors of logistics and general administrative and, under this department the division of warehouse, inventory, transportation, facility clerks, and procurement and the general customer services divisions are the target population of the study. The researcher tried to make generalizations from the sample to the population (Sharma, 2017).

3.2.2 Sample Size

Employees from the Bank of Abyssinia under the three Addis Ababadistrictsand logistics directorswere the study's target respondents. To select respondents from the target demographic, the researcher used a stratified selection at random approach from a probability sampling technique. To be able to produce a representative sample when the population from which the sample is to be chosen is not a homogeneous group, stratified sampling technique is typically

used. The population is separated into numerous subpopulations that are each more homogenous than the entire population (the different subpopulations are referred to as "strata"), and then items are chosen from each stratum to produce a sample under stratified sampling.

Given that each stratum is more uniform than the entire population, random sampling that is stratified makes it possible to obtain more accurate estimates for each stratum, and by doing so, it provides an improved estimation of the whole. It is more appropriate to use stratified random sampling to select representative from all working units (strata) because the target population (employees of Bank of Abyssinia Addis Ababa district) are located in various working units (general customer services, inventory controller, procurement, transportation, facility clerks, and warehouse). The representatives chosen by pure random sampling from each stratum.

Neither an extremely big sample nor one that is too small should be used. It ought to be ideal. Out of the 302 people that could be found under the given working units, 172 responses made up the sample. The formula Yamane (1973) developed to compute sample sizes was used to calculate the sample size for this investigation.

n= N/ (1+N (e) 2)

n= 302/ (1+302 (0.05) 2)

n= 172 employees

Table 3.1 sample respondent

	Working unit-based strata	Target population	Sampling size
1	General customer services	145	82
2	Inventory controller	9	5
3	Procurement	38	22
4	Transportation	52	30
5	Facility clerks	12	7
6	Warehouse	46	26
	Total	302	172

Source: own survey, 2023

3.3 Sources of Data

3.3.1 Primary source of data

The primary data source from the original source. With the trustworthy analysis having a direct link with the occurrence of the events, it would be more dependable and have a higher level of confidence in decision-making (Minyichil, 2021). Bank of Abyssinia employees (management and branch staff) was served as the primary source of information through survey questionnaires.

3.3.2 Secondary source of data

Secondary data was obtained from the existing document of administration and logistics department, organizational monthly published newsletters and annual published reports, various reference books, Journal articles, previously published studies, and web sites.

3.4 Data Collection Instruments

The study collected the data using a questionnaire containing 39 items. The majority of these items were based on five pointLikert scaleranging from “Strongly Agree” to “Strongly Disagree”. Other questions asked for factual information practiced, such as if there is any logistics management practices and problems exist currently in the bank.

Thequestionnaire consists of two sections. The first section focused on general or demographic information about the respondent's. The second section focuses on the key inquiries related to the study variables (logistics management practices). This questionnaire developed(Mwangangi, 2016) andMulango and SharanGitonga (2017). It was modified and pilot testedbefore its use at this bank as an instrument.

3.5 Data Analysis Method

The study used SPSS version 26 software to analyze the data collected through structured questionnaires. The study employed descriptive, regression, and correlation analysis models.

The demographic factors were described using descriptive analysis. Multiple linear regressions and the correlation model were used as inferential statistics. Regression analysis was used to determine whether organizational performance and logistics management practices (customer

service, transportation and distribution, warehouses, and supply management practices) were associated or not. Correlation analysis was used to determine the strength of the relationship between logistics management practices and the performance of the Bank of Abyssinia.

3.6 Data Presentation

The data is presented using statistical tools such as tables, percentages, frequency, and mean as major tools of data presentation and analysis.

3.7 Reliability and Validity

3.7.1 Reliability

Reliability refers the degree to which a test is consistent and stable in measuring what is intended to measure. It refers to whether the data collection and analysis processes would yield reliable and consistent findings or outcomes if repeated or recreated by another researcher. (Mugenda, O., & Mugenda, A. G, 2003). In order to ensure the reliability of the information, the researcher was used the Cronbach's test.

The reliability summaries for all the variables for which Cronbach's Alpha is used are shown in the table below. Cronbach's Alpha, according to (George, D., &Mallery, P., 2003), is a measure of the internal consistency of scales. The coefficient indicates the degree of consistency, with > 0.9 being excellent, > 0.8 good, > 0.7 acceptable, > 0.6 questionable, 37 > 0.5 poor, and 0.5 unacceptable. As a consequence, the reliability test revealed, as indicated in the table below, that the items in the questionnaire demonstrated Cronbach's Alpha rate more than enough to be deemed consistent or acceptasble. This result is explained in table 3.2 below.

Table 3.2 Cronbach's alpha of value

Variables	Item	Cronbach's	Internal Consistency
Customer service management practices	5	.751	Acceptable
Inventory planning and management practice	5	.714	Acceptable
Supply management practices	5	.704	Acceptable
Transportation management practices	5	.867	Good
Warehouse management practices	5	.701	Acceptable

Organizational performance	9	.714	Acceptable
Average mean value	34	.786	Acceptable

Source: own survey result (2023)

3.7.2 Validity

Validity refers to the appropriateness, significance, and utility of a researcher's inferences, in addition to how much and what a test purports to measure. According to (Creswell, 2018),There three forms of validity to look for are (a) content validity-do the items measure the content they were intended to measure?, (b) predictive or concurrent validity-do scores predict a criterion measure?/Do results correlate with other results, and (c) construct validity-do items measure hypothetical constructs or concepts?.Content validity was verified by the advisor of the research who looked at the questions to see if the questions are relevant or not. To keep the instruments' validity, Most of the surveys are adaptations of earlier research by Mulango and SharanGitonga (2017) and (Mwangangi, 2016).

3.8 Ethical considerations

According to (Soden et al., 2012), ethics refers to the appropriateness of your behavior in relation to the rights of those who become the subject of the work or are affected by it. The principle of informed consent, according to (Bryman and Bell, 2007), stipulates that participants in the study cannot be coerced into taking part. Any research project carries with it an ethical obligation to conduct the work honestly and morally (Adams *et al.* 2014). In consideration of this viewpoint, the researcher was informed all participants and the research's primary stakeholders and treat all information from any individual discreetly without revealing the respondents identify. The researcher stated that all sources, including literature and other studies, are cited and mentioned appropriately in order to avoid the danger of plagiarism.

CHAPTER FOUR

Data Analysis, Discussion and Interpretation

Introduction

This chapter focuses on presenting and analyzing the study to aid the researcher or study user in better understanding the various findings related to the research topic, which is the impact of logistics management practices on the organizational performance of Bank of Abyssinia in the Addis Ababa district.

This chapter begins with the provision of demographic information about the respondents and goes on to present findings related to the particular goals of the research study. Means, and standard deviation were utilized in descriptive statistics to assess the data, while multiple linear regression analysis was used in inferential statistics to determine the impact of independent factors on dependent variables.

4.1 Response Rate

According to Frohlich (2001), the response rate is calculated as the ratio of completed questionnaires to sample members who are eligible. According to Johnson and Owens (2008), response rates are typically regarded as the metric that is most frequently referenced to assess the caliber of surveys. It is enough to perform the research since a total of 172 questionnaires were sent to the Bank of Abyssinia's chosen work division, and 161 of them were returned, or 93.6% of them.

Table 4.1. Distribution questionnaire response rate

Ratting	Frequency	Percentage
Respond	161	93.6
Non- respond	11	6.4
Total	172	100

Source: survey of the study, 2023

4.2. Respondent'sDemographic Data

This part of the questionnaire of the demographic analysis wished the limited amount of information related to personal and demographic status of respondents. The purpose of demographic analysis in this research is to describe the characteristics of the sample such as proportion of male and female in the sample, age group of respondents, educational level of respondents, work experience of respondents, and the job category of the respondents. Therefore, the following variables are summarized and described by the tables shown below.

Table 4.2 Sex of the respondent

Categories	No. item	Cluster	Frequency	Valid percentage
Sex	1	Male	93	57.8
	2	Female	68	42.2

	Total	161	100

Source: Own survey data, 2023

As above study result, among the total 161 respondents 57.8 % (93) are male and the remaining 42.2% (68) are female.

Table 4.3Age of the respondent

Categories	No. item	Cluster	Frequency	Valid percentage
Age	1	18-29 years	57	35.4
	2	30-39 years	76	47.2
	3	40-49 years	24	14.9
	4	Above 50 years	4	2.5
	Total		161	100

Source: Own survey data, 2023

The above table shows that 57 (35.4%) 76 (47.2%), 24(14.9%) and 4(2.5%) of respondents were sound in the age range of 18-29 years,30-39 years, 40-49 years, and above 50 years. respectively. Majority of respondents were found in the age 18 - 40 years, which indicate that the organization has young and energetic peoples who can play a great role for the organization's growth.

Table 4.4Education of the respondent

Categories	No. item	Cluster	Frequency	Valid percentage
Education	1	Diploma	27	16.8
	2	Degree	97	60.2
	3	Masters	37	23.0
	4	Ph.D.	0	0
	5	Others	0	0
	Total		161	100.0

Source: Own survey data, 2023

With regard to educational background, 97 respondents (60.2%) possess B.A. degrees, 37 (23%), M.A. degrees, and 27 (6.8%), college diplomas. So that every respondent, can comprehend and reply to the questionnaire effectively.

Table 4.5Work experienceof the respondent

Categories	No. item	Cluster	Frequency	Valid percentage
Work experience	1	Less than 2	44	27.3
	2	3-5	62	38.5
	3	6-8	29	18.0
	4	9 and above	26	16.1
	Total		161	100.0

Source: Own survey data, 2023

Regarding their job experience, the staff's breakdown is as follows: 44 (27.3%) have less than two years' worth, 62 (38.5%) have between three and five years' worth, 29 (18%) have between six and eight years' worth, and 26 (16.1%) have more than nine years' worth. In addition, 38.5% of the personnel have between 3-5 years of experience.

Table 4.6Job Categoryof the respondent

Categories	No. item	Cluster	Frequency	Valid percentage
Job categories	1	General customer service	73	45.3
	2	Facility clerks	7	4.3
	3	Warehouse	26	16.1
	4	Procurement	22	13.7
	5	Transportation	28	17.4
	6	Inventory controller	5	3.1
		Total	161	100.0

Source: Own survey data, 2023

All departments within the Bank of Abyssinia Shared Service directorate have a representation, as can be seen from the table above73 (45.3%), 28(17.4%), 26 (16.1%), 22(13.7%), 7(4.3%) and 5(3.1%) of the respondents were from division of General Customer services, Transportation and distribution,Warehouses, Procurement division, Facility clerks and Inventory controller respectively.Which indicates the target divisions of all the departments are closely related to logistics practices.

4.3 Descriptive analysis for independent variable

To assess attitudes directly (i.e., when the subject is aware that their attitude is being examined), many kinds of rating scales have been devised.The Likert scale (1932) is the most popular.The Likert scale is a five- or seven-point scale that people may use to express how much they agree or disagree with a certain statement. It is a type of psychometric response scale in which respondents describe their level of agreement to a statement, usually in terms of five points: Strongly disagree, disagree, somewhat agree, agree, and strongly agree are all acceptable responses.The researcher used the below-described interpretation process to interpret the mean score.

$$\text{Interval} = \frac{\text{the highest Score} - \text{The lowest Score}}{\text{Number of interval}}$$

$$\text{Interval} = \frac{5-1}{5}$$

$$\text{Interval} = 0.8$$

Table 4.7Likert Scale points

Likert Scale	Average Score	Rating
Strongly agree	4.21-5.00	Very High
Agree	3.41-4.20	High
No option	2.61-3.40	Average
Disagree	1.81-2.60	Low
Strongly Disagree	1.00-1.80	Very Low

Source: Own Survey (2023)

According to (Salingay& Tan 2018) the means statistical values of the items were based on the 5 point Likert scale and will be illustrated through the following assumptions: if the mean (M) score is being below 3 it implies that the respondents disagree with the statement, if the mean score is equal to 3 it indicates that the respondents prefer to stay neutral and if the mean score is

more than 3 implies that the respondents agree with the statement. Each item's average score (mean) was translated into the degree of the following factors as follows.

By equally weighting the mean scores of all the items under each activity, the mean scores have been calculated for all five logistics management practices, including customer service management practices, inventory planning and management practices, supply management practices, transportation management practices, and warehouse management practices, as well as the dependent variable organizational performance. Each logistical activity's average mean outcome was displayed, examined, and interpreted independently along with the relevant factors.

4.3.1 Logistics management practice

Table 4.8Customer service management practicesresponse

No.	**Customer service management practices**	Min	Max	Mean	Std. Dev.
1	My bank provides the service dependably and accurately as promise to afford.	2	5	3.86	.971
2	In my bank workers are knowledgeable enough to service customers.	1	5	3.85	1.085
3	My bank provides quick responses to customer needs.	1	5	3.61	1.189
4	In my bank there is tangible services like facility, equipment etc. to customer.	1	5	3.48	1.210
5	In my bank there is empathy which develops client attention.	2	5	3.98	.974
	Total average mean			**3.76**	

Source: own survey result (2023)

The data in table 4.8 above shows the mean response of 3.86, 3.85, 3.61, 3.48, and 3.98 to the items ‘My bank provides the service dependably and accurately as promise to afford’, ‘In my bank workers are knowledgeable enough to service customers’, ‘My bank provides quick responses to customer needs’, ‘In my bank there is tangible services like facility, equipment etc. to customer’, and ‘In my bank there is empathy which develops client attention’ respectively. As a result obtained from Bank of Abyssinia, there is strong integration with customer service management practices on bank performance. Simply the items can play a great role on bank performance and have a significant influence on organizational performance the result supported by (Minyichil, 2021)and (Rivard et al., 2006).

Table 4.9Inventory planning and managementpractices response

No.	**Inventory planning and management**				
1	My bank employs material and money requirement planning (MRP).	1	5	3.01	1.081
2	My bank has contribute replenishment system To run a day-to-day operation.	1	5	3.02	1.140
3	My bank Inventory management system keeps cost at a minimum.	1	5	3.02	1.162
4	My bank reduced lead time with economic order quantity.	1	5	3.00	1.167
5	My bank can keep a low inventory with quick response and Just In Time.	1	5	3.07	1.225
	Total average mean			**3.02**	

Source: own survey result (2023)

The data in table 4.9 above shows the mean response of 3.01, 3.02, 3.02, 3.00, and 3.07 to the items ‘My bank employs material and money requirement planning (MRP)’, ‘My bank has contribute replenishment system To run a day-to-day operation’, ‘My bank Inventory management system keeps cost at a minimum’, ‘My bank reduced lead time with economic order quantity’, and ‘My bank can keep a low inventory with quick response and Just In Time’ respectively. The result implies that, the Bank of Abyssinia has a moderate level of practicing of logistics management practices in terms of inventory planning and management practices. The organization can achieve the business performance through effectively practicing, so the Bank of Abyssinia has a moderate level of practicing (Mwangangi, 2016).

Table 4.10Supply management practices response

No.	**Supply management**				
1	My bank has a well-defined supplier service policy.	1	5	3.02	1.272
2	My bank has maintained strong partnership and collaboration with suppliers.	1	5	3.17	1.278
3	In my bank we practices win-win negotiations with our suppliers.	1	5	3.45	1.274
4	My bank monitors and evaluates suppliers' performance on a consistent basis.	1	5	3.01	1.255

5	My bank frequently exchanges information via electronic communication (e.g., fax, e-procurement, and so on).	1	5	3.11	1.273
	Total average mean			**3.15**	

Source: own survey result (2023)

The data in table 4.10 above shows the mean response of 3.02, 3.17, 3.45, 3.01, and 3.11to the items 'My bank has a well-defined supplier service policy', 'My bank has maintained strong partnership and collaboration with suppliers.', 'In my bank we practices win-win negotiations with our suppliers', 'My bank monitors and evaluates suppliers' performance on a consistent basis', and 'My bank frequently exchanges information via electronic communication (e.g., fax, e-procurement, and so on)' respectively.As a result implies that the organization has good logistics management practices in terms of supply management practices.

Table 4.11Transportation management practices response

No.	**Transportation management practices**				
1	My bank has collaborative relationship with our transport carriers.	1	5	3.01	1.167
2	My bank applied economies of scale to reduce transportation costs.	1	5	3.06	1.256
3	My bank applied economies of distances to minimize transport cost	1	5	3.05	1.234
4	My bank has a dependable money transfer mechanism.	1	5	3.06	1.236
5	In my bank the current transportation management minimizes total lead time	1	5	3.00	1.265
	Total average mean			**3.04**	

Source: own survey result (2023)

The data in table 4.11 above shows the mean response of 3.01, 3.06, 3.05, 3.06, and 3.00to the items 'My bank has collaborative relationship with our transport carriers', 'My bank applied economies of scale to reduce transportation costs', 'My bank applied economies of distances to minimize transport cost', 'My bank has a dependable money transfer mechanism', and 'In my bank the current transportation management minimizes total lead time' respectively.As a descriptive analysis result implies that, there is a moderate label of practicing the transportation management practices in the bank

Table 4.12Warehouse management practices response

No.	Warehouse management practices				
1	My bank has enough storage in which facilitate order picking.	1	5	3.02	1.265
2	In my bank warehouses load and unload is convenient.	1	5	3.01	1.242
3	My bank has receive materials with assurance quality and quality as per ordered.	1	5	3.01	1.265
4	My bank has skilled personnel that handle warehouses activities.	1	5	3.26	1.186
5	In my bank's warehouse has repeatedly stock out.	1	5	3.20	1.304
	Total average mean			**3.10**	

Source: own survey result (2023)

The other critical logistic management practice in the organization is the warehouse management practices. The data in table 4.12 above shows the mean response of 3.02, 3.01, 3.01, 3.26, and 3.20to the items ‘My bank has enough storage in which facilitate order picking’, ‘In my bank warehouses load and unload is convenient’, ‘My bank has receive materials with assurance quality and quality as per ordered’, ‘My bank has skilled personnel that handle warehouses activities’, and ‘In my bank's warehouse has repeatedly stock out’ respectively. According to the findings of a descriptive study, the organization lacks efficient warehouse management practices based on respondents' contradictory responses to the issue-related items.

4.3.1.1 Summary of Logistics Management Practices

The table shows below the summery of the score mean for the logistics management practices in Bank of Abyssinia.

Table 4.13 summery of mean score of dimensions of logistics management practices

No.	Logistics management practices dimensions	Mean value	Remark
1	Customer service	3.76	1st
2	Inventory planning and management	3.02	5th
3	supply	3.15	2nd
4	Transportation	3.04	4th

5	Warehouse	3.10	3rd
	Total Mean	3.21	

Source: Own survey SPSS result, 2023

From the above table, it shows that the total mean value of the five logistics management practices is 3.21 and indicates that the all the five logistics management practices dimensions is high. That shows the customer service management was high and the rest fours of inventory planning and management, supply, transportation and distribution, and warehouse ware average.

4.4 Descriptive Analysis for Dependent variable

4.4.1 Organizational Performance

Table 4.14 Response to Organizational Performance

No.	**Organizational performance**				
	Customer satisfaction	**Min**	**Max**	**Mean**	**Std. Dev.**
1	My bank can reduce customer complaints.	2	5	3.75	.861
2	The bank has expanded its value-added products.	2	5	3.78	.901
3	The bank can give high-quality products and services.	2	5	3.68	.951
	Total average mean			**3.74**	
	Market share				
1	The bank's average market share has grown over the last year.	1	5	3.79	1.003
2	The bank's average currency has grown over the years.	2	5	3.96	.801
3	The bank's marketing strategies leads to the gain in market share.	2	5	3.86	.877
	Total average mean			**3.87**	
	Financial performance				
1	The bank profit has increased in recent years.	2	5	4.00	.766
2	The banks returned on Assets has increased.	2	5	3.91	.832
3	The bank's return on investment has improved.	2	5	4.00	.837

	Total average mean	**3.97**	

As table 4.14from the dimensions of organizational performance respondents agree on the issue of the bank can reduce customer complaints, the bank has expanded its value-added products, the bank can give high-quality products and services, the bank's average market share has grown over the last year, the bank's average currency has grown over the years, the bank's marketing strategies leads to the gain in market share, the bank profit has increased in recent years, the bank's return on Assets has increased, and the bank's return on investment has improved. The average and standard deviation of these items are successively (M 3.75, SD.861), (M 3.78, SD 0.901), (M 3.68, SD.951), (M 3.79, SD 1.003), (M 3.96, SD 0.801), (M 3.86, SD.877), (M 4.00, SD.766), (M 3.91, SD 0.832), and (M 4.00, SD.837).This outcome demonstrates that Bank of Abyssinia has a good organizational performance.

4.4.1.1 summery of organizational performance

The table shows the summery of organizational performance for the Bank of Abyssinia.

Table 4.15 summery of organizational performance

No.	**Organizational/Bank of Performance**	**Mean**
1	Customer satisfaction	3.74
2	Market share	3.87
3	Financial performance	3.97
	Over all mean	**3.86**

Source: own survey SPSS result, 2023

The above table, it shows that the mean values of 3.97, 3.87, and 3.74 of customer satisfaction, market share, and financial performance respectively were high mean value and also shoes that the grand mean of the organizational performance is 3.86, which is high and shows that the bank has very good organizational performance.

4.5 Correlation Analysis

Correlation is the relationship between two variables correlating the dependent and independent variables. So, we would like to observe the nature, direction, and significance of the bivariate relationship of the variables used in the study. The bivariate correlations procedure computes the pair wise associations for a set of variables and displays the results in a matrix way.

In this study, bivariate correlations and the degree and direction of associations between two measures may both be calculated using it. The direction, intensity, and significance of the bivariate connections between all the variables in the research are all shown in a Pearson correlation matrix, as was previously mentioned. The correlation coefficient, which will typically range from 1 to -1, is a highly helpful tool for describing the relationship between two variables, according to Field (2005). The correlation coefficient is conveniently represented by the letter r. Therefore, a perfect positive connection of r 1.00 denotes a direct relationship, while a perfect negative relationship of r -1.00 denotes no relationship at all between the two variables. Because of this, a two-tailed test of statistical significance at the level of 95% significance and P 0.05 was utilized in this study to demonstrate the association between the five aspects of logistics management practices and organizational performance.The magnitude of the correlation coefficient (r) has the following meaning. A little correlation or tiny correlation is one where the correlation coefficient is between 0.10 and 0.20. A low correlation or weak association is one where the correlation coefficient is between 0.20 and 0.40. If the correlation is between 0.40 and 0.70, it is moderate, between 0.70 and 0.90, it is high correlation or significant, and between 0.90 and 1.00, it is extremely strong correlation between the variables (Burns, 2008).

Table 4. 16 The correlation value of logistics management practices

Correlations

		Customer services management practices	Inventory planning and management practices	supply management practices	Transportation management practices	Warehouse management practices	Organizational Performance
Customer services management practices	Pearson Correlation	1	.165*	-.110	.021	.051	.248**
	Sig. (2-tailed)		.037	.166	.787	.519	.002
	N	161	161	161	161	161	161
Inventory planning and management practices	Pearson Correlation	.165*	1	.287**	.205**	-.003	.318**
	Sig. (2-tailed)	.037		.000	.009	.966	.000
	N	161	161	161	161	161	161
supply management practices	Pearson Correlation	-.110	.287**	1	.131	.116	.316**
	Sig. (2-tailed)	.166	.000		.098	.143	.000
	N	161	161	161	161	161	161
Transportation management practices	Pearson Correlation	.021	.205**	.131	1	-.001	.113
	Sig. (2-tailed)	.787	.009	.098		.988	.154
	N	161	161	161	161	161	161
Warehouse management practices	Pearson Correlation	.051	-.003	.116	-.001	1	.104
	Sig. (2-tailed)	.519	.966	.143	.988		.191

	N	161	161	161	161	161	161
Organization Performance	Pearson Correlation	.248*	.318**	.316**	.113	.104	1
	Sig. (2-tailed)	.002	.000	.000	.154	.191	
	N	161	161	161	161	161	161

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

**. Correlation is significant at the 0.01 level (2-tailed).

Table 4.16 shows that the correlation of five factors measuring logistics management practices aspects all are positive correlation with organizational performance of Bank of Abyssinia with the range of 0.090 up to 0.350. Among all of these five logistics management practices three of customer service management practices, inventory planning and management practices, and supply management practices are significant at both $p<0.05$ and $p<0.01$ level. But the rest two logistics management practices i.e. transportation and warehouse management practices are insignificant with organizational performance at both of $p>0.05$ and $p>0.01$. When we look into each their coefficients which indicates the five independent variables i.e. customer service management practices ($r=0.248$), inventory management practices($r=0.318$), supply management practices ($r=0.316$), transportation management practices ($r=0.113$), and warehouse management practices ($r=0.104$).

Regarding the relationship between independent variables, the above correlation table 4.18 shows that majority of the independent variables are correlated at $P< 0.01$ and at $P <0.05$ level of significance. Customer service management practices measurement shows the first positive association with inventory planning and management practices in the result of ($r =0.165$, $p <0.05$). Secondly positively correlated dimensions are inventory planning and management practices with supply management practices at ($r=0.287$, $P<0.05$) and with transportation management practices at ($r=0.205$, $p<0.05$) these listed variables are both of positive relationship and has significant effect.

4.6 Regression Analysis

The regression analysis is a way of predicting the output variable (dependent variable) from one predictor variable (simple regression) or several predictor variables (multiple linear regressions) (Andy field, 2009). The model of regression shows how much of the variance in the measure of logistics management practices is illustrated by the underlying dimensions of predictors of logistics management practices model.

4.6.1 Test of Assumption

4.6.1.1 Multicollinearity Test

When independent variable VIF values are more than 1, it is advised that additional research is necessary (Leybourne et al., 2006). As a result, the model has no multicollinearity issues because its VIF is close to 1. VIF has a value that is between 1.021 and 1.190. The tolerance value, which denotes the proportion of the predictor's variation that cannot be explained by the other predictors, implies that very small values suggest overlap or sharing of predictive ability. The tolerance of the variables in this model lies between 0.851 and 0.980.

Table 4.17 Multi-CollinearityCoefficients[a]

Model		**Collinearity Statistics**	
		Tolerance	**VIF**
1	Customer Service Management Practices	.941	1.063
	Inventory Planning and Management practices	.851	1.176
	Supply Management practices	.872	1.147
	Transportation Management practices	.952	1.050
	Warehouse Management practices	.980	1.021
	Mean of VIF		**1.091**

a. Dependent Variable: Organizational Performance

Source: own survey result (2023)

Based on this table 4.17, variance inflation factor values of each independent variables are less than 10. These mean that the assumption of Multi-co linearity is approved. All the five independent variables have no linear relationship between them. And the other point in the above table is 1/VIF. It is the inverse of VIF and called the tolerance value of VIF of each independent variable. The average VIF is 1.091. This indicates that there was no perfect or high relationship between explanatory variables. One might draw the conclusion that the correlations between all of the independent variables are unproblematic and that there is no multi-co linearity effect. Therefore, as a statistical signal that multi-co linearity is not the study's difficulty.

4.6.1.2 Assumption of Normality

It is necessary for the variables in the multiple linear regression models to have the normal distribution. The following figure was used to verify the normality of the variables included in the results of the multiple linear regression model.

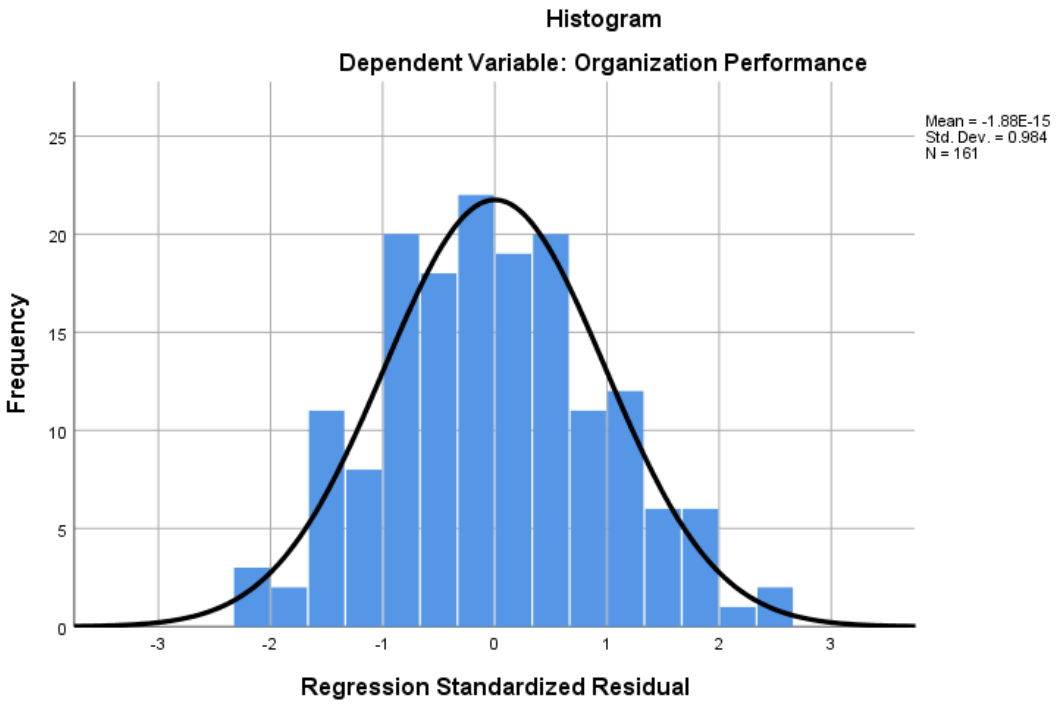


Figure 4.1: Normality Test

Source: own survey result, 2023

The points in figure 4.1 above are not much further from the histogram's line or curve. This suggests that the data is normal, as demonstrated by the histogram.

4.6.1 Linearity test of Independent Variables

According to the definition of linearity provided by Wilkinson (1975), the dependent variable is a linear function of the predictor (independent) variables. Even if the explanatory and the dependent variables are not linear, the model must be linear in the parameters. This is due to the challenge of estimating the parameters if they are non-linear and their value is unknown given the data of both the dependent and independent variables. Consequently, to verify linearity and equality of variances, plot the standardized residuals against the standardized projected values. The data is dispersed randomly in the graphic below, with no increase or decrease. This shows a linear relationship exists between the dependent and independent variables.

.

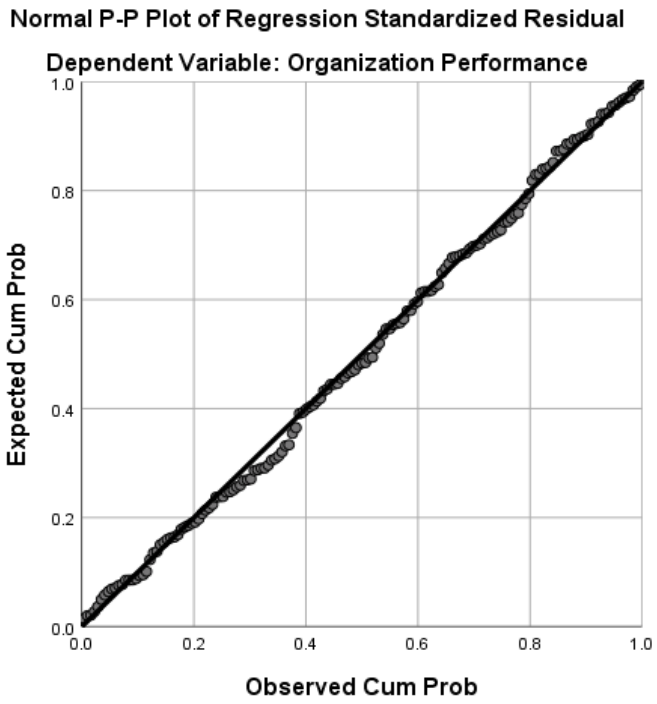


Figure 4.2 Test of linearity

Source: own source result (2023)

4.6.1.4 Independent variable homoscedasticity test

The homoscedastic assumption, according to Tabachnick et al. (2007), implies that the variance stays constant across all observations. The variance of the error term must be constant for each collected value of the predictors. However, there are a number of circumstances where this presumption could not be true. To ensure linearity and equality of variance, plot the standardized residuals against the standardized projected values. For instance, the error term's variance might go up or down. The graph below shows that there is no homoscedasticity issue since the points are distributed at random and no evidence of increment or decrement is present.

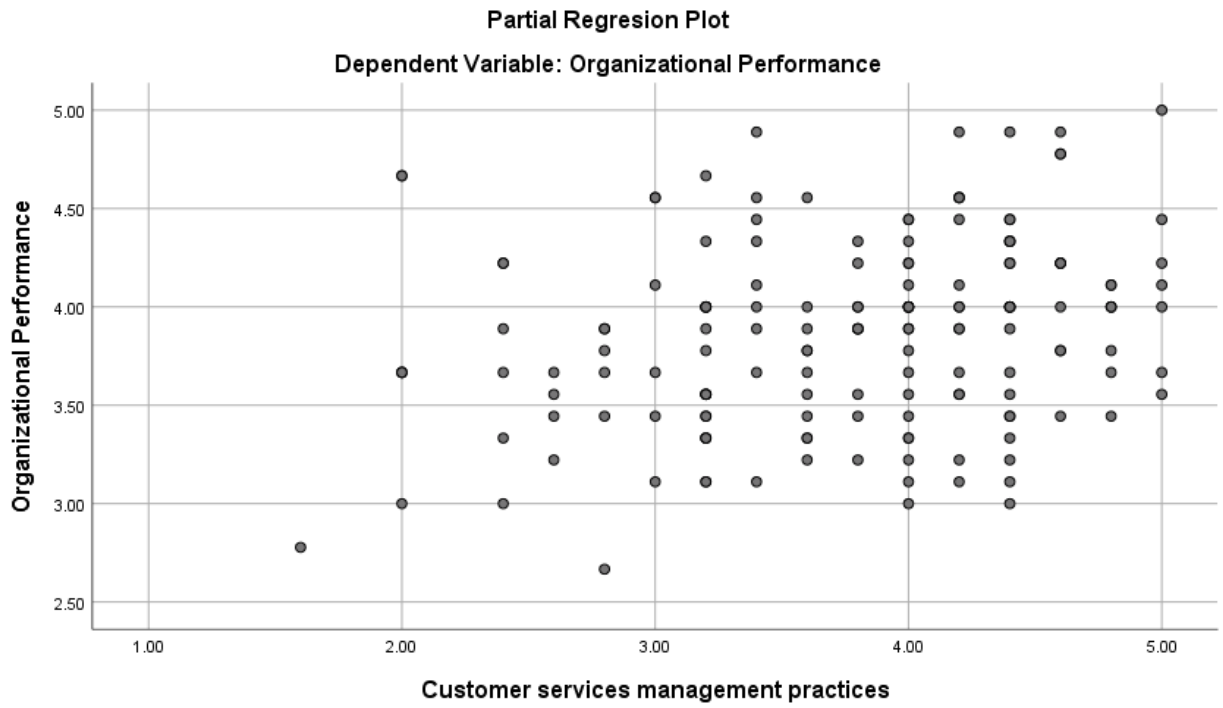


Figure 4.3 Test of Homoscedastic

Source: own survey (2023)

Table 4.18 Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.468[a]	.219	.193	.43560

a. Predictors: (Constant), Warehouse management practices, Transportation management practices, Customer services management practices, supply management practices, Inventory planning and management practices

b. Dependent Variable: Performance of the organization

Source: own survey result (2023)

The table shows the model summary. It shows how much of the variance in the department variable (Organization Performance) is explained by the independent variable (customer service management, inventory planning and management, supply management, transportation and distribution management and warehouse management practices). In this model, the value of R square is 0.219. When expressed as a percentage, it shows that all independent variables account for 21.9% of variances in organizational performance. Multiple correlation R of +0.468 represent the combined correlation of all the independent variables.

Table 4.19ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	8.102	5	1.620	8.673	.000[b]
	Residual	28.960	155	.187		
	Total	37.061	160			

a. Dependent Variable: Organization Performance

b. Predictors: (Constant), Warehouse management practices, Transportation management practices, Customer services management practices, supply management practices, Inventory planning and management practices

Source: own survey result (2023)

The results of the findings above revealed that the level of significant was 0.000 which is less than 0.05. This implies that the regression model is significant in predicting the independent variable on organization performance.

In the ANOVA represented table 4.19 we have the F value of 8.673 which is significant with P-value = 0.000 which is less than 0.05. this implies to gather as set are significantly related to the independent variable.in order to see the contribution of factors that logistics management practices, regression analysis of organizational performance were employed.

Table 4.20 bellow, provides the result of multiple regression analysis beta coefficient and significance.

Table 4.20Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.294	.264		8.689	.000
	Customer services management practices	.151	.046	.243	3.313	.001
	Inventory planning and management practices	.118	.047	.193	2.504	.013
	supply management practices	.155	.043	.276	3.633	.000
	Transportation management practices	.016	.035	.032	.442	.659
	Warehouse management practices	.034	.041	.060	.834	.406

a. Dependent Variable: Organization Performance

Source: own survey result (2023)

The unstandardized beta value displays the number of standard deviations that will vary with every prediction change of one standard deviation. The direct comparability of the units of standard deviation makes them a stronger indicator of the significance of a predictor variable in the model. The dependent variable can be predicted more accurately when an independent variable's big beta coefficient value is present. Customer service management techniques,

inventory planning and management practices, supply management practices, transportation management practices, and warehouse management practices all have unstandardized beta values that are, respectively, 0.151, 0.118, 0.155, 0.016, and 0.034.

The final model is

$Y = 2.294 + .243X1 + .193X2 + .276X3 + \varepsilon$

Where X1-customer service management practices

X2-inventory planning and management practices

X3- supply management practices

The regression coefficients for customer service, inventory planning and management, and supply management methods were significant at $P < 0.05$, according to the coefficient table. The administration of warehouses and transportation, however, was not noteworthy. This degree of significance indicates that each variable makes a distinct contribution to the regression equation, which significantly affects the prediction. As three of the predictor variables' coefficients are statistically significant, the hypothesis relating to these dimensions, H0, is rejected ($P < 0.05$). These predictor variables include customer service, inventory planning and management, and supply management methods. The management of warehouses and transportation is statistically insignificant, and H0 is not being rejected ($P > 0.05$).

4.7 Testing the hypothesis and Discussions on the Major Finding

H0: Customer services management practices has no significance effect on organizational performance.

H0: Reject ß=0.151, $P < 0.05$

The results of the hypothesis showed that, because (Beta=0.151, ($P<0.05$), customer service management techniques statistically have a substantial impact on organizational performance. The outcome was corroborated by earlier studies were out by (Qadeer, 2014), these authors indicated that the competing strategy is to deliver excellent services in this time. Quality service is essential to gain competitive advantage in the service giver firms to give sustains customer's confidence. Most of the time companies develop best strategies to meet quality expectations of

the firm’s customers to ensure quality service delivery. So as to build effective strategies for improving the level of satisfaction and customer loyalty, companies must understand that how quality effects the role and assess the customer value and its relationship with customer satisfaction. The author focused on identifying the ways of companies that improve the quality of their services and extend to which the quality customer service activity affects the satisfaction level of customers. In the authors study stated that the quality of service and customer satisfaction both are crucial factors for success in the business world. Organizational performance is a critical component of every commercial operation since the effectiveness of the whole supply chain depends on the ability to build connections based on empathy, trust, and stable interactions of Bank of Abyssinia.

HO: inventory planning and management practices has no significant effect on organizational performance.

HO: Reject ß=0.118, P<0.05

According to the study's findings, inventory management and planning procedures have a statistically significant impact on the bank's organizational performance (Beta= 0.118, P<0.05). The study finding revealed that the influence of inventory management on firm performance is significant and is fueled by practices like just-in-time, inventory control, cycle counting, and automated recording and inventory management systems. The result was supported by (MWANGANGI, 2016) with the R2 value of 0.232 of P0.05. These results support Stevenson's (2009) study, which found that inventories are an essential component of a firm since they are required for operations and also improve customer happiness. Prior studies had offered the same empirical evidence that inventory management was crucial to the effectiveness of logistics (Laird, 2012; Mangarulkar, et al., 2012; and Bowersox, et al., 2010Inventory management, which decreases time wasted during firm manufacturing programs, improves lead times, and increases profitability of a firm by minimizing waste throughout transformation processes, has a positive impact on the overall performance of the firm (Christopher, 2011).

The outcome was corroborated by earlier studies were out by (Agu et al.,2016). In the authors study concluded that inventory management is very essential in the performance of any business sector. The inventory which is considered as the asset of companies should invest on increased

importance. Because organizations are applying the strategy of reducing their investment in fixed assets such as cash that has the advantage of reducing inventory. In particular, the authors indicated that inventory activities are essential for enhancing the organizational performance.

HO: Supply management practices has no significant effect on organizational performance.

HO: Reject ß=0.155, P<0.05

With (ß=0.155, P0.05), the hypothesis's conclusion has been confirmed: supply management methods have a statistically significant impact on organizational performance. The earlier investigation done by provided evidence to support the current study (Fentazy et. al., 2010). According to the author, supply management has a significant impact on organizational performance through practices such as developing an appropriate purchasing strategy, a good two-way communication system, excellent relationships with key suppliers, and skills in areas such as customer service, quality, and innovation to be effective the organization. The previous study conducted by (Ellran et. al., 2002) this study finding is support the current study. Author's concluded that, purchasing and supply management has influence over the corporate success and also significant via use the supplier alliances, strategic cost management, and use target costing can play a great over the success of the organization. The study cited by (Sukati et al., 2020)in line with (Anon., 2005) and(Baofeng Huo et al., 2014). They contend that strategic supply chain partnerships are crucial organizational activities, particularly when it comes to the company's relationships with key suppliers. The performance of the company will result from the strong supplier collaboration. Organizations can collaborate with suppliers who can share responsibility for the success of their products through strategic supplier relationships. According the study finding conducted by (Baofeng Huo et al., 2014) SCM success should be made possible by agreements with such strategic suppliers. Such partnerships are anticipated to boost consumer happiness, which will ultimately enhance the company's overall success, and the researcher stated that the supply chain partnership refers to an understanding between a corporation and its suppliers over a procedure that may involve the transfer of any significant information and resources that are required to generate mutual benefits.

HO: transportation management practices has no significant effect on organizational performance.

HO: fail to reject ß=0.016, P> 0.05

The research has shown that while there is a correlation between the variables, there is no statistically meaningful association between transportation management practices and organizational performance. The fact that (Beta=0.016, (P>0.05). Nevertheless, a prior study's R2 = 0.015, P0.05 finding that transportation management has a substantial impact on organizational performance shows this. (MWANGANGI, 2016)R-square = 0.59, P<0.05 (Tuong et al., 2019)and R-square = 0.877 of P<0.05(Ghoumrasic and Tigu, 2019).

HO: warehouse management practices has no significant effect on organizational performance.

HO: failed to reject ß=0.034, P> 0.05

Since (Beta=0.034, P>0.05), it has been shown that warehouse management practices do not statistically have a meaningful impact on organizational performance.But the study conducted by (Autry*et al.,* 2005) descused that modern warehousing firms and distribution centers are overwhelmed with information related to the flows and storage of goods and services. The efficient and effective utilization of logistics-related information can enhance firms' ability to reduce costs while simultaneously improving customer satisfaction and effectiveness of the organization.

Table 4.21 Summery of hypothesis

Hypothesis statement	Beta	Sig	P-value	Remark
HO1-Customers services management practices	0.151	.001	<0.05	Reject
HO2-inventory planning and management practices	0.118	.013	<0.05	Reject
HO3-supply management practices	0.155	.000	<0.05	Reject
HO4-transportation management practices	0.016	.659	>0.05	Fail to reject
HO5-warehouse management practices	0.034	.406	>0.05	Fail to reject

Source: own survey result (2023)

CHAPTER FIVE

MAJOR FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 The Introduction

In order to enhance the Bank of Abyssinia's logistics management practices, the study's findings are summarized, and recommendations are made in this chapter.

As discussed on chapter four in the model fitting information part the linear regression model is fitted for the data for this study. The study takes logistics management practices such as

customer service management practices, inventory planning and management practices, supply management practices, transportation management practices, and warehouse management practices and organizational performance as dependent variable.

5.2 Summery Of Finding

As a result acquired from the Bank of Abyssinia in Addis Ababa district shows that there is positive integration between the customer's service management practice and Organizational/bank performance.The grand mean for customer service practice was 3.76 and the highest mean score was for service dependably and accurately as promised to afford. It was correlated with the organizational performance positively with r- value of 0.248 and the customer service management practices have a positive and significant effect on bank's organizational performance with P-value of 0.002.

As a result acquired from the Bank of Abyssinia in Addis Ababa district shows that there is positive integration between the inventory planning and management practice and Organizational/bank performance.The grand mean of the inventory planning and management practices was 3.02 and the highest mean score was keep a low inventory with quick response and just in time. It was positively correlated with the organizational performance with r- value of 0.318 and significant effect on organizational performance of the bank with P-value of 0.003.

As a data acquired from the Bank of Abyssinia in Addis Ababa district shows that there is positive integration between the Supply practice and Organizational/bank performance. The total mean score of the supply management practices was 3.15 and the highest mean score was win-win negotiation with our suppliers. The inventory planning and management practices was positively correlated with organizational performance with the r- value of 0.316 and it was a positive and significant effect on organizational performance of the bank with P-value of 0.000.

As a result acquired from the Bank of Abyssinia in Addis Ababa district shows that there is positive integration between the Transportation management practice and Organizational/bank performance, but not significant. The grand mean score of the transportation practices was 3.04 and the highest mean score was applying economies of distance to minimize transport cost and dependable money transfer mechanism. The transportation management practices was

positively correlated to organizational performance with the r -value of0.113, but it was not significant effect on organizational performance of the bank with P-value of 0.745.

As a result acquired from the Bank of Abyssinia in Addis Ababa district shows that there is positive integration between the warehouse management practices and Organizational/bank performance, but not significant. The grand mean value of the warehouse practices was 3.10 and the highest mean value was skilled personnel that handle warehouses activities. The warehousepractices was positively correlated with organizational performance with the r- value of 0.191, but it wasn't significant effect on organizational performance of the bank with P-value of 0.516.

Generally, the finding of the study result is summarized that customer service management practices, inventory planning and management practices, and supply management practices have positive and significance effect on organizational performance in the organization and their significant p-value<0.05. Whereas the transportation management practices and warehouse management practices have no statistical effect on organizational performance in the organization and their significant p-value>0.05

5.3 Conclusion

Based on the finding of the study, the conclusion be that- the majority of the employees in the banks are male and their ages are under fifty years. Educational level of the majority employees are bachelor degree and above. Majority of the respondents have under five years' work of experience in the bank, and the respondents are participated from the division of general customer service, facility clerks, transportation, warehouses ,and procurement under the logistics and administration of department of the bank.

The main findings of the study in logistics management practices are:-

The customer service management practices have good practices in the bank as the employees' agreement level is laid on agree level.

The inventory planning and management processes in the bank are inadequate since the employees' agreement level is on the disagree level.

There is moderate consensus on the bank's procurement division's supply management practices.

The bank also employs a moderate level of transportation management strategies.

In the bank, there is insufficient space of storage and inadequate level warehouse management practice.

The findings indicate that customer service management practices, inventory planning and management practices, supply management practices, transportation management practices, and warehouse management practices are important and critical logistics management practices in the organization because the mean value analysis of the study is greater than 3, and they play an important role in improving organizational performance.

In general, the researcher came to the conclusion as a hypothesis result of the study from the variables that customer service management practices, inventory planning and management practices, and supply management practices have a significant effect on bank performance while transportation management practices and warehouse management practices have an insignificant effect on the bank performance.

5.4 Recommendation

The purpose of the study to investigate the effect of the logistics management practices on the organizational performance of Bank of Abyssinia. Based on the finding and conclusion of the study, the researcher suggest to forward the recommendation which assist to solve the problem and ensure effective logistics management practices related with the issues;-

The organization should continue to provide trustworthy and accurate services, respond quickly to their customers' needs, and pay attention to their customers, because consumers are the lifeblood of financial institutions, particularly the banking industry.

The organization should employ material requirement planning and replenishment systems to meet customer demand without accumulating excess inventory, as well as encourage oracle technology systems, just in time distribution resource planning systems, and give more attention, implement, and invest in inventory management planning practices.

The organization needs prioritize supply management practices by establishing strong partnerships and collaboration with suppliers, engaging in win-win negotiations with suppliers, monitoring and evaluating supplier performance on a quarterly, semi-annual, or annual basis, and utilizing an information technology system.

The company needs to spend money on warehouse storage, build it for easy loading and unloading, and make sure that the materials it receives are both high-quality and in sufficient quantity.

5.5Suggestion for Further Research

The study's remaining limitations might be overcome by future researchers by broadening the study's focus and including additional participants like clients and suppliers. The study was focused only on five logistics management practices i.e. customer service, inventory planning and management, transportation/distribution, supply, and warehouse management practices which are not enough, in case the future researcher would be studied via adding like order processing, material handling, information flow management practices. Additionally, this research might be repeated for industries other than banking.

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Appendixes: A

ADDIS ABABA UNIVERSITY

COLLAGE OF BUSINESS AND ECONOMICS

SCHOOL OF COMMERCE

DEPARTEMENT OF LOGISTICS AND SUPPLY CHAIN MANAGEMENT

POST GRADUATE PROGRAME

Questionnaire

Dear Participant

My name is SeyoumTsegalem, and I am a postgraduate student at Addis Ababa University's School of Commerce in the area of logistics and supply chain management. I am now conducting research on "The effect of logistics management practices on organizational performance; the case of Bank of Abyssinia Addis Ababa district." The questionnaire's goal is to gather essential primary data for the study; it will only be used for academic research, and we promise to keep your sincere replies completely private.

General Instruction

Please do not provide your name or address on the survey.

Please pick the appropriate one of your answer

If you have any questions and would like more information about the issues, please contact me at

Phone No. 0935607031 and E-mail address. Seyoumtsegalem47@gmail.com

I appreciate you giving this case your time and information.

Part I. Demographic Information of Respondents

Please put the specific number of age and years of work experience on the provided place.

1, Sex?

1, Male ☐ 2, Female ☐

2, Age?

1, 18-29 years ☐ 2, 30-39 years ☐ 3, 40-49 years ☐ 4, Above 50 years ☐

3, Educational Level?

1, Diploma ☐ 2, Degree ☐ 3, Masters ☐

4, Ph.D. ☐ 5, Others ☐

4, Work Experience (Years)?

1, less than 2 ☐ 2, 3-5 ☐ 3, 6-8 ☐

4, 9 and above ☐

5, Job Categories?

1, General/Customer service ☐ 2, Facility clerks ☐

3, Warehouse ☐ 4, procurement ☐

5, Transportation ☐ 6.Others ☐

Part II. Logistics Management Practices In Bank of Abyssinia

Please pick under the relevant number to represent the state of Logistics management practices in the Bank of Abyssinia.

The items scales are five- scales with 1, Strongly Disagree 2, Disagree 3, No Option 4, Agree and 5, Strongly Agree

No.	Customer Services Management Practices	1	2	3	4	5
1	My bank provides the service dependably and accurately as promise to afford.					
2	In my bank workers are knowledgeable enough to service customers.					
3	My bank provides quick responses to consumer needs.					
4	In my bank there is tangible service like facilities, equipment, etc. to customer.					
5	In my bank there is empathy which develops client attention.					
	Inventory planning and management practices					
6	My bank reduced lead time with economic order quantity.					
7	My bank employs material and money requirement planning (MRP).					
8	My bank has contribute replenishment system To run a day-to-day operation.					
9	My bank Inventory management system keeps cost at a minimum.					
10	My bank can keep a low inventory with quick response and Just In Time.					
	Supply Management Practices					
11	My bank has a well-defined supplier service policy.					
12	My bank has maintain strong partnership and collaboration with suppliers.					
13	In my bank we practice win-win negotiations with our suppliers.					
14	My bank monitors and evaluates suppliers' performance on a consistent basis.					
15	My bank frequently exchanges information via electronic communication (e.g., fax, e-procurement, and so on).					
	Transportation Management Practices					
16	My bank has collaborative relationship with our transport carriers.					
17	My bank applied economies of scale to reduce transportation costs.					
18	My bank applied economies of distances to minimize transport cost.					
19	My bank has a dependable money transfer mechanism.					
20	In my bank the current transportation management minimizes total lead time.					
	Warehouse Management Practices					
21	My bank has enough storage in which facilitate order picking.					
22	In my bank warehouse load and unload is convenient.					
23	My bank has receive materials with assurance quantity and quality as per ordered.					
24	My bank has skilled personnel that can handle warehouses activity.					
25	In my bank's warehouse has repeatedly stock out.					

Part III. Organizational performance In Bank of Abyssinia

Please pick under the relevant number to represent the state of organizational performance in the Bank of Abyssinia.

Level of agreement on the organizational performance of the bank of Abyssinia

It. No.	Organizational performance (2020-2023)	1	2	3	4	5
	Customer (internal & external) satisfaction					
1	My bank can reduce consumer complaints.					
2	The bank has expanded its value-added products.					
3	The bank can give high-quality products and services.					
	Market share					
4	The bank's average market share has grown over the last year.					
5	The bank's average currency has grown over the years.					
6	The bank's marketing strategies leads to the gain in market share.					
	Financial performance					
7	The bank profit has increased in recent years.					
8	The bank's return on assets has increased.					
9	The bank's return on investment has improved.					

Any other comments on:

Anything else you'd want to say about: If Bank of Abyssinia employs any other methods of logistics management.

Any other issues with the management style used by Bank of Abyssinia Logistics.

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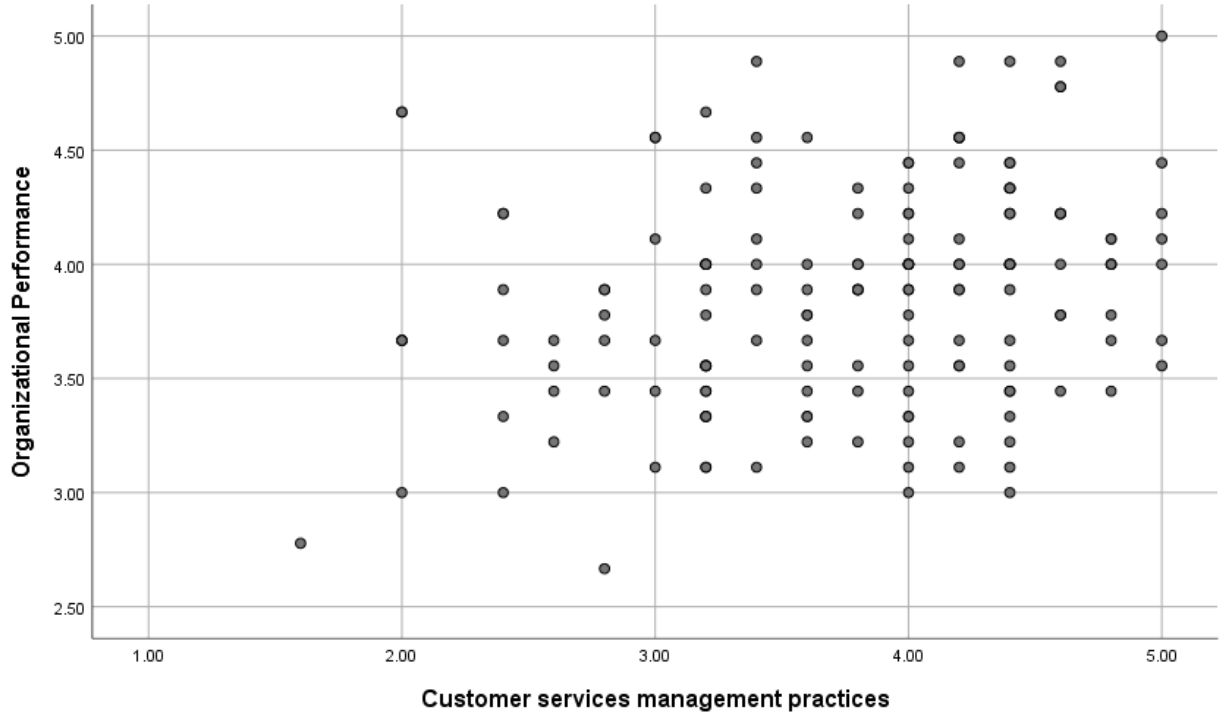
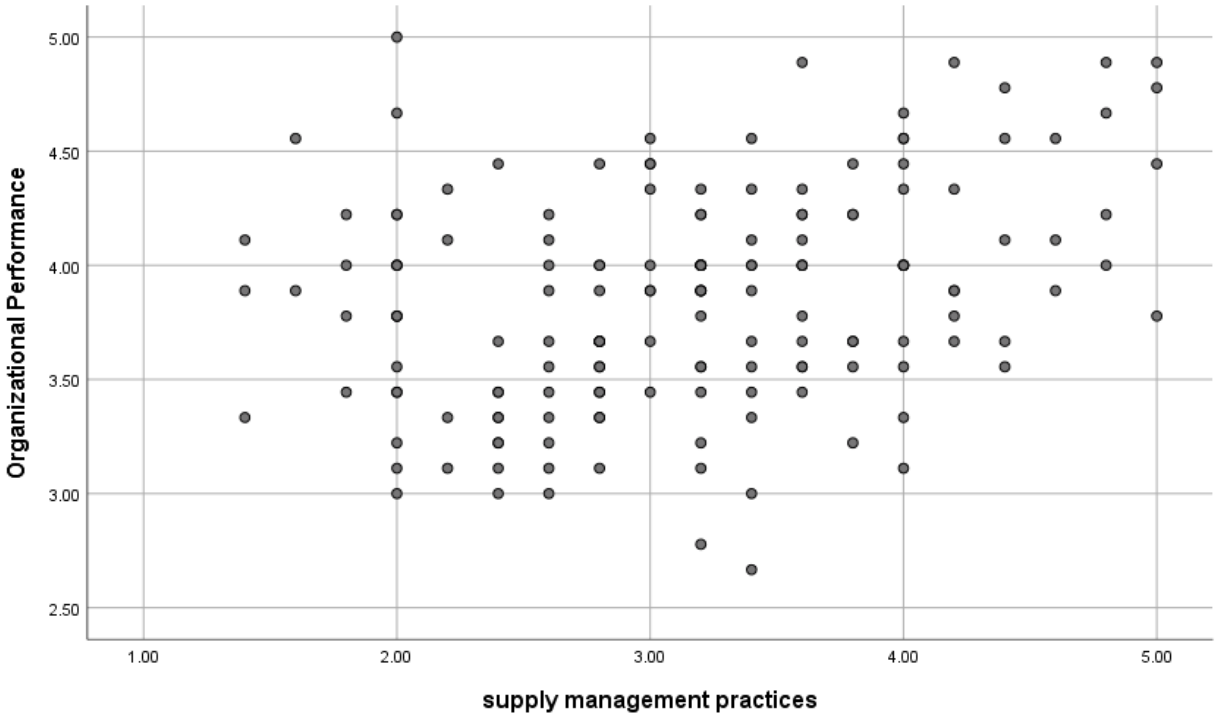
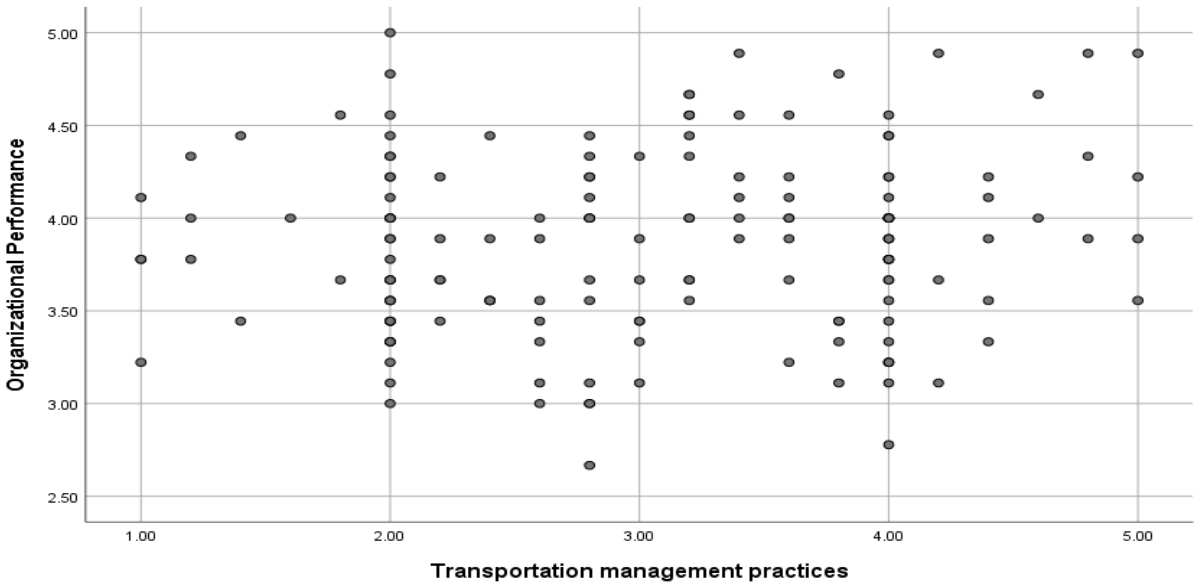
Appendix: B


Organizational Performance
5.00
4.50
4.00
3.50
3.00
2.50
1.00
2.00
3.00
4.00
5.00
Customer services management practices


Organizational Performance
5.00
4.50
4.00
3.50
3.00
2.50
1.00
2.00
3.00
4.00
5.00
Inventory planning and management practices


Organizational Performance
5.00
4.50
4.00
3.50
3.00
2.50
1.00
2.00
3.00
4.00
5.00
supply management practices


Organizational Performance
5.00
4.50
4.00
3.50
3.00
2.50
1.00
2.00
3.00
4.00
5.00
Transportation management practices


Organizational Performance
5.00
4.50
4.00
3.50
3.00
2.50
1.00
2.00
3.00
4.00
5.00
Warehouse management practices