

IMPROVEMENT OF SUPPLY CHAIN IN MR. CHEF COMPANY IN NIGERIA

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Summary

Every firm relies heavily on its supply chain. The success of a corporation is determined by how well its supply chain operates. Mr Chef is a company that specializes in spice manufacture. The obstacles faced by a company's supply chain were examined in this study. The respondents were given questionnaires that detailed the variables that affect the seamless operation of the supply chain, such as terrible roads, government regulation, a lack of labour, excessive material prices, and so on. The data for the study was gathered via quantitative analysis and a questionnaire that was delivered to 27 people. The information gathered was analysed using descriptive statistics. Because of the company's operational nature, we discovered that most of the raw materials they use in production are imported due to lack of availability of raw material in the country. According to the findings, the corporation should invest in local farmers to assure the supply of raw materials for their operations. The supply chain activity of the company starts with raw material procurement and finishes with distribution. We also suggested that inventory management be used to strengthen the supply chain by boosting visibility of the company's supply chain. The company also has a labour shortage; it is recommended that the corporation hire additional workers while laying off unproductive ones to ensure maximum production. Because there are so many competitors, Mr. Chef needs apply innovation in all areas of the firm. If they do not improve, they may be forced out of the market due to fierce competition from other companies that offer similar products.

Keywords: supply chain, inventory, customer

Introduction

The supply chain is an essential part of every business. The phrase "supply chain" refers to the coordination of enterprises that bring products or services to market (Lambert et al., 2018). It is the cornerstone of whatever product or service a company offers. Its effective operation affects the company's long-term viability owing to its compelling element of providing high-quality services to clients. Supply Chain has become a critical issue for manufacturers, professionals, and researchers because the management of the supply chain and the roles of various actors involved differ from industry to industry and company to company. The general mindset of managing the supply chain effectively is that it must fully comprehend the complete structure. Typically, the supply chain obtains raw materials from suppliers, has them value-added at production facilities, then transports them to warehouses for interim storage before shipping to retailers or consumers (Simchi-Levi, et al, 2003). Therefore, effective supply chain strategies must consider the various supply chain elements for cost reduction and improved customer service. Supply Chain (SC) is a system that encompasses many intra- and inter-organizational activities ranging from purchasing to logistics/distribution and manufacturing to warehousing etc. A company's success is no longer decided only by its decisions and actions; this is because in a competitive global market, supply chain members' performance affects the chain's total outcomes (Cote and colleagues, 2008).

Research aim: To analyse the possible means to improve supply chain in Mr Chef Company

The following **objectives** have been set to achieve the aim:

1. To summarize the theoretical concepts of supply chain
2. To analyse the possible ways to enhance supply chain operation

Research object and methods

To fulfil the study's goal, a questionnaire was used. We used both a quantitative and qualitative research technique to obtain information from Mr. Chef's employees and clients to demonstrate the difficulties that the firm is facing and determine the best way to improve its supply chain. The research was carried out utilizing descriptive statistics such as percentages. A client and staff survey were conducted using a structured questionnaire to collect data regarding the elements influencing supply chain management improvement in the organization, the study method uses a quantitative approach.

Research results and discussion

Supply chain management is the transfer of commodities from one site to another via numerous activities and procedures. Suppliers, warehouses, transportation, distribution, purchasing, manufacturing facilities, and retail outlets are all part of the supply chain activities and procedures (Niemann et al., 2016). It involves logistical planning and management, as well as the sourcing and procurement of goods and services. Supply chain activities such as customer relationship management, order fulfilment, product creation, and returns management are critical (Larson and Halldorsson, 2004) defined supply chain management as the "integration of critical business processes from the end user to the original suppliers who deliver products, services, and information that provide value for consumers and other stakeholders." Supply chain activities such as customer relationship management, order fulfilment, product creation, and returns management are critical.

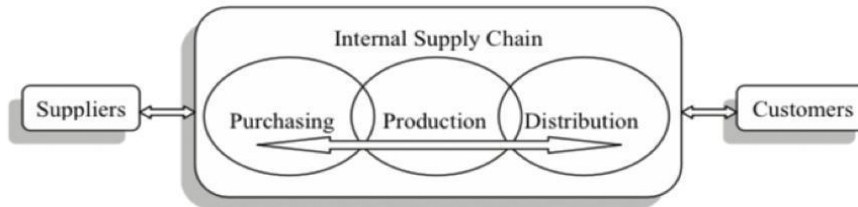


Fig. 1. An illustration of a supply chain
Source: Niemann et al. (2016)

Supply Chain Management (SCM) has become a universal technique across industries since it handles seller-buyer alliances, collaborative planning, ongoing strategic coalitions, cross-organizational inventory control, information exchange, and logistics management. Effective SCM enables the supply of the needed level of customer care to a specific segment while simultaneously reducing total resource consumption and increasing customer service via increased product availability and reduced order cycle time. The supply chain management area has grown in recent decades because of greater reliance on supplier performance and dynamic supplier changes. Supply Chain Management, as defined by (Waters, 2009), is "a succession of activities and organizations that materials move through on their route from primary suppliers to ultimate clients." Each product, he asserts, has its own supply chain, which might be brief or lengthy, simple, or intricate

Due to the time constraints, a total of 27 questionnaires were circulated, but only 21 were returned. To ensure the participants' confidentiality and anonymity, the questionnaire did not include any identifying information.

Table 1. Descriptive statistics of demographic variables (Source: Compiled by the author)

Variable	Description	Percentage	
Gender	Gender Respondents	Male	73.5
		Female	26.5
Age Range	Age Distribution of Employees	Below 18 years	7.5
		18-25 years	17.5
		26-30 years	26.5
		31-35 years	16.5
		36-40 years	13.5
		41-45 years	11.5
		46 years & above	7
Years of Experience	Years of Experience. 1=Less than 1 year, 2=1-3years, 3=4-15years, 4=Above 15 years,	Less than 1 year	23.5
		1-3 years	43
		4-8 years	19
		Above 8 years	14.5
Education	Level of education (Highest grade complete). 1=Secondary, 2=Tertiary (Diploma, Degree), 3=Higher education (Masters)	Secondary	38
		Tertiary	41
		Higher Education	11

The gender distribution of the study's respondents is noteworthy since gender stratification has a substantial effect on the types of jobs in which both genders participate. The male respondents were 73.5 percent of the total sample, while female respondents represent 26.5 percent of the total sample. According to the data, most employees at Mr. Chef company in Nigeria are male, making it a male-dominated firm. This can be due in part to the nature of the employment. Physicality and the use of strength are required for the available professions in this firm. As a result, the organization employs more men than women. The age distribution is a critical characteristic because it enables departments to identify active labour forces that could be valuable assets to the company and to plan for future services. According to the research, the business employs individuals under the age of 18 due to their physical characteristics and work mentality. As a result, the organization's minimum age requirement for employees is 17 years old. Additionally, some workers in the table above are older than 46, while the bulk are between the ages of 31 and 35. This signifies that the selected individuals will be

active for a minimum of 15 years, allowing the company to retain or terminate their career. Due to the youthful majority, this group of employees possesses the necessary enthusiasm and resources to contribute to Mr. Chef company's development. These insights would be highly beneficial to those working at the forefront of Nigeria's supply chain management. In terms of educational attainment, 41% of employees have earned a tertiary degree (Diploma, Degree, or Master's), whereas 38% have earned a secondary degree. Education increases the likelihood that employees will be exposed to or informed about new advancements that will aid in the enhancement of the company's logistics services. The respondents were also asked about the potential challenges that the organization would face in the supply chain operating process. strategic supply chains may encounter performance “glitches” or the inability to meet customer demand (Hendricks and Singhal, 2003) from such things as quality and production problems, employee apprehension to yield up control, and poor collaborative planning.

Table 2. Challenges of supply chain management in Mr. Chef company (Source: Compiled by the author)

NO:	Constrains	Percentage %				
		VW	W	N	S	VS
1	Government regulation	0	0	2	20	80
2	Bad roads	0	0	2	18	80
3	High prices of fuel	2	3	5	15	75
4	Insecurity on the road	0	0	0	20	80
5	Labour shortage	85	5	1	6	3
6	Unavailability of raw materials	10	7	0	13	50
7	Lack of public interest on the products	5	1	0	27	65

According to the results of the preceding analysis, (80%) of total respondents confirm that government regulation has a significant impact on the supply chain and operations of the Mr. chef company, while the remaining (20%) state that these regulations are too stringent and have harmed the company's operations. This demonstrates that government regulations are impeding the company's growth. Furthermore, when it comes to the influence of bad roads on Mr. Chef company's supply chain, (80%) of respondents affirm that the impact is very strong, (18%) respondents confirm that the impact is strong, and the remaining (2%) respondents stay neutral. This demonstrates that the poor condition of Nigeria's roads did not contribute to Mr. Chef company's supply chain management's success. Similarly, the high cost of petrol jeopardizes Mr. chef's supply chain operation. While (75%) of all respondents say the threat of rising fuel prices is extremely substantial, (15%) believe it is strong, (2%) and (3%) percent of total respondents, respectively, support very weak and weak, while the remaining (5%) chose to be neutral. This demonstrates that a remedy to the high cost of fuel is necessary if the firm is to succeed in its operations. In terms of road insecurity, all respondents believe that it poses a substantial threat to Mr. Chef company's supply chain operation. Additionally, (85%) and (5%) of total respondents agree that Mr. Chef company has sufficient labour on the ground to complete all supply chain management operations. While (1%) of respondents are neutral, the remaining (6%) and (3%) of total respondents agree that expanding the number of employees benefits the firm. About raw material scarcity, (50%) and (13%) of total respondents, respectively, felt that the company's inability to obtain raw materials required for production in Nigeria is a major challenge. However, (10%) and (7%) of respondents disagree. Despite this, (65%) and (27%) of total respondents think that a lack of public interest in the company's product is a significant impediment to the supply chain management function of the organization. The remaining (5%) and (1%) failed to see this as a threat.

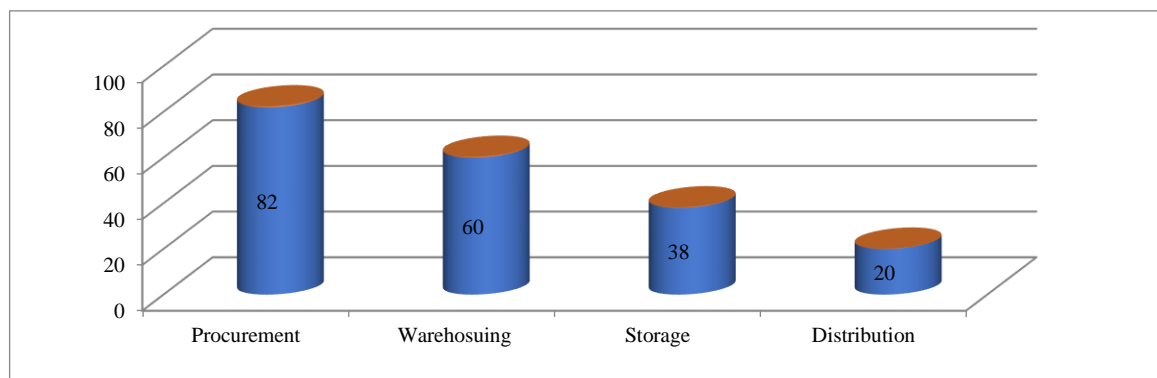


Fig. 2. “Mr. Chef company” supply chain operation
Source: Compiled by the author

Mr. Chef company in Nigeria focuses on four unique supply chain processes, as illustrated above (raw material procurement, warehousing, storage, and distribution). The supply chain includes manufacturers, suppliers, transporters, warehouses, wholesalers, retailers, customers, and other intermediaries. As a product proceeds from raw material to a completed development in the consumer products market, it goes through series of sequential transactions in the business-to-business market. Supply chain operations and procedures include suppliers, warehouses, transportation, distribution,

purchasing, production facilities, and retail outlets. It entails logistics planning and management and commodities and service sourcing and procurement. Firms gradually become dependent on having effective supply chain channels to compete successfully in the global market economy. As a result, a firm's performance can no longer be determined exclusively by its decisions and actions. That is because, in a competitive global economy, the performance of supply chain members contributes to the overall results of the chain

The amount of competitiveness in the market today has pushed firms to return to the drawing board to determine and study strategies to be more successful in the face of strong competition. Due to severe competition in today's global marketplaces, the advent of products with short life cycles, and customers' heightened expectations, business enterprises have been pushed to invest in and focus attention on customer and supplier relationships. Executives are realizing that the successful coordination, integration, and control of essential business operations across supply chain members will decide the overall performance of the single firm (Van der Vorst, 2000). Businesses, according to (Christopher 2018), no longer compete as totally autonomous entities, but rather as supply chains.

Improving an organization's supply chain occurs when a business or organization generates ongoing value for its stakeholders and shareholders while conforming to the norms and regulations governing its establishment and operation in society (Brent & Labuschagne, 2004). (Guan et al. 2010) defined sustainable supply chain management as a modern management pattern that emphasizes the integration of the economy, environment, and society across all processes, including procurement, manufacturing, packaging, transportation, storage, consumption, and disposal of end-of-life products, with the goal of achieving the economy, environment, and society's sustainable development. The key to creating value in the supply chain is collaboration among participating entities (the company, producers, retailers, consumers, logistics, etc).

Supply chain management, like any other business practice, has difficulties because of uncertainty or an inability to coordinate several activities and partners (Otchere, et al., 2013). Customers are growing more discerning, demanding higher-quality goods, superior service, and cheaper pricing (Sweeney et al., 2011). (Groznička and Trkman 2012) emphasized the importance of information sharing among most supply chain actors, which results in the bullwhip effect. The bullwhip effect is a term that refers to changes in demand that occur across the supply chain and result in significant inefficiencies in inventory management (Lee 2010). Another study, conducted by (Hoffman et al., 2013), demonstrates that risk management continues to be a problem in supply networks, owing to the possibility of disruptions caused by both internal supply chain components and external environmental effects.

Conclusions

1. Following the identification of literature on the notion of supply chain, we can simply define supply chain as the full process of producing and selling commercial items, including all stages from the procurement of materials to the fabrication of the goods to their distribution and sale.

2. The purpose of this study was to uncover potential solutions to improve the supply chain's performance in the case of Mr. Chef. According to our findings, the company is facing some challenges, including a lack of raw material in the country, a bad road, and a lack of interest in the product; therefore, it is recommended that the company invest in local farmers to ensure raw material availability, as well as invest in social media advertisements to regain people's trust in the product.

3. To establish a well-functioning supply chain, innovation is very crucial not to be left out because innovation and supply chain are closely linked. The two terms are complementary to one another. When it comes to supply chain improvement, business innovation is critical. To impact good change in their business, Mr. Chef Company needs to implement new processes and services.

4. It was evident from the responses that Mr. Chef's company is short on productive laborers. They are advised to lay off incompetent employees and hire competent employees, as this is the cornerstone to a successful chain operation.

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