

SENARIO OF EFFECTIVE MATERIAL MANAGEMENT ON PRODUCTION IN MANUFACTURING COMPANIES

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ABSTRACT

This study investigates the effectiveness procurement on material management in manufacturing industries. The primary objective of the look at was to assess the effective procurement it effect on materials management in manufacturing industries. Specifically, the examiner intended to assess how inventory control systems and lead time affect material management. The empirical evaluation of the take a look at targeted mainly at the Nigeria Breweries. The target Population of the observe changed into 56 employees of Nigeria Breweries. A pattern of forty nine respondents turned into selected from this populace the use of the stratified random sampling technique, where 7 departments, which without delay cope with materials, were decided on which include: manufacturing, Purchasing, great Control, Warehouse/save, Human Resource Development, Finance and audit and bodily Distribution departments .Data changed into accrued through a established questionnaire, consisting specifically of closed ended and open-ended questions. The information became analyzed thru descriptive statistics consisting of mean, popular deviation, median and probabilities. Results showed that there was massive relationship between effective procurement and material management Because of inventory manages machine involvement. Further, consequences showed that lead time became extraordinarily enormous to organizational performance through acquiring and turning in the needed substances within the shortest impossible. The Study advocated that a whole lot of emphasis want to be directed to materials control in dairy businesses so that you can gain massive value savings, reduction in wastes and manufacturing expenses and to obtain growth in profitability and product exceptional, consequently improving the organizational overall performance. The look at recommended that dairy organizations undertake using Information Communication Technology (ICT), use of right codes in all substances, and the personnel gain knowledge of on the usage of inventory control systems.

Keywords: *Materials management, Procurement, Organizational performance, Production costs, Procurement procedure, Profitability*

INTRODUCTION

Economic Development has come to be the magic phrase for all the nations of the sector to conquer the age antique issues in Agriculture, Industry, Trade, Transport and so forth.. Present age is branded as Development Age to propagate quicker financial development via rapid industrialization for the manner of monetary boom. India has been no exception to this ordinary urge. The approach of boom pursued in our Five Year Plans aimed at building the Indian economy in a independent and self sustained manner. Indian commercial sector witnessed an exceptional enlargement and it has begun obtaining commanding heights of the economy because of the coverage environment created through the Government for the industrial boom. Further the Liberalization, Privatization and Globalization allowed the foreign capital inflow with satisfactory and competence. Thus, the brand new economic system of India is hit on one hand with the old industries and on the alternative the brand new

industries. The rules adopted by means of the vintage industries in India to cope with the change had been a real acid take a look at of survival. All sorts of industries have undergone this acid take a look at and cement Industry too has under long past the same and brought it now not as challenge but for extremely survival. The objectives of a firm may be found out only with the overall effectiveness in all areas of operation which incorporates the management of materials.

Materials management is worried with input method of producing and consists of the glide of uncooked substances, piece elements, additives and completed goods, to supply the income and marketing functions with product. The 'input' process is separated from the 'output' process because in a manufacturing concern the functions involved in the input process finally change the physical state of the product. The crucial components of the fabric management gadget are 'materials', time, and space, and the operation of the gadget targets to overcome the issues of 'deliver', distance 1 and time, with a view to achieve product for the minimum fee beneath the constraint of a longtime customer support degree requirement. The procurement of substances to supply the product isn't the only motive of manufacturing. The cloth management concept as a consequence consists of elements of procurement, movement, sales and profit with all the changes in society and policy. Materials Management has been branded because the kingpin of manufacturing. The project of substances management is integrating outside suppliers with inner departments so that you can provide a clean product float system.

Table .1.1 indicates the production system as an input-output model.

<i>Inputs (Resources)</i>		<i>Management process -</i>	<i>Outputs .</i>
T	Men	Planning	Goods and Services
I	Money	Organization	
M	Machines	Directing	
E	Materials	Staffing	
		Leading	
		Communication	
		Coordinating	
		Controlling	

Of the various factors of production, materials are the most important one as they tie up 50 to 60 per cent of the cost of product for successfully increasing the productivity of the industry.

Any reduction in the cost of materials results in increased profits. Thus, Materials shopping ought to no longer be seemed as spending hobby but changing the enterprise into a profit centre when an monetary purchase and garage of fabric is accomplished. In modern commercial control, the substances branch is a totally fledged department and not beneath manufacturing department. Materials department is the 'custodian' of materials and production department is the 'user' department. Under the integrated Idea of materials control, both purchasing and storage is integrated under one vice-president responsible for the overall materials function.

Concept of Materials Management

Materials Management is a device to optimize performance in assembly customer service requirements on the identical time adding to profitability by way of minimizing costs and making the pleasant use of to be had resources. The basic objective of Materials Management as defined via is to make sure that the proper item is offered and made available to the producing operations on the right time, on the right area and at the lowest feasible price. According to, materials control is an idea which brings together there possibility for determining the manufacturing requirement that is scheduling the manufacturing Techniques and buying, storing and dishing out materials. An integrated method to cloth control defines it as the function accountable for the coordination of making plans, sourcing, and purchasing, shifting, storing and controlling substances in a gold standard way so as to provide a predetermined service to the patron at a minimum value. These definitions provide the scope of substances control which incorporates substances necessities planning (MRP), choice on buying, procurement of materials, inventory management, staffing, stores and warehouse control, manufacturing and distribution of

RESULTS & ANALYSIS

In this study, simple frequency with simple percentage descriptive technique was employed in describing the data collected. Analyses of the data collected in relation to the hypotheses tested were carried out with the resource of Pearson correlation coefficient the use of Statistical Package for Social Science (SPSS) version 22. The decision rule is to accept the research hypothesis, if the probability of error is between 1% to 10% and reject if otherwise. This section is involved with the presentation of the data gathered from the questionnaire administered.

Table 1: Gender

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid MALE	29	58.0	58.0	58.0
FEMALE	21	42.0	42.0	100.0
Total	50	100.0	100.0	

The table 1 above shows that 58% of the respondents are male while 42% are female.

Table2: Age

	Frequency	Percent	Valid Percent	Cumulative Percent
18-27	21	42.0	42.0	42.0
28-37	15	30.0	30.0	72.0
Valid 38-47	12	24.0	24.0	96.0
48-57	2	4.0	4.0	100.0
Total	50	100.0	100.0	

The table 2 above shows that 42% of respondents' ages are between 18-27, 30% is between 28- 37, 24% is 38-37, while4% is48-57.

Table 3: To what volume do you compromise procurement procedure affect material management?

	Frequency	Percent	Valid Percent	Cumulative Percent
AGREE	21	42	42	58
Valid DISAGREE	29	58	58	100.0
Total	50	100.0	100.0	

The table 3 above shows that 21% of the respondents agree that procurement procedure affect material management.

In A work of this nature, a conceptual evaluation of relevant studies at the problem under consideration is proper; given the ordinary notion and the enormity of the demanding situations that raw cloth management had posed to manufacturers.

CONCLUSION

The Goal of the take a look at turned into geared to provide useful insight to the future prospects of the Nigeria Breweries if at all materials managements given priority as a total concept. The study established that there was a superb and significant relationship between effective procurement procedures on material management in manufacturing industries. This implies that through effect procurement and materials management, an organization can achieve the benefits of effective use of labour, providing system flexibility, increasing productivity, decreasing lead times, reduction in wastes, reduction in production costs, increased product quality are achieved. The ratings showed that effective procurement systems played a vital role in organizational performance, and as such, organizations must ensure that effective procurement system be highly involved in material management activities hence achieving higher organizational Performance.

The effects additionally showed that the coefficient correlation between shows that there may be no tremendous relationship between materials management problems and the frequent breakdown and shut down of the plant is 0.222. This meant that there is no strong positive relationship between material management problems and frequent breakdown and shut down of plant in Nigeria Breweries. Eldora hence has contributed to the growth and performance of the company. It was also evident from the findings of the study that lead time contributes to organizational performance. Lead time showed how the organization acquires competitive advantages as it delivers the right product at the correct place and inside the shortest time possible. Further, the outcomes confirmed that the correlation coefficient indicates that there may be a good sized dating among proper procurement manner and fabric control in Nigeria breweries is 0.616. Hence it could be deduced that there has been a advantageous dating among proper procurement technique and fabric management. More considerably changed into the truth that there has been a strong positive correlation between procurement procedure and material management systems of 0.616, hence it can be deduced that there was a strong positive relationship between proper procurement procedure and material management.

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