

Effects of Inventory Management Practices on Perspectives of Employees in Apparel Sector of Western Province in Sri Lanka

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Abstract: Inventory items play a vital role in which it relates with all aspects of the warehouse. To manage the inventory items efficiently and effectively, warehouses adopt various inventory management practices in multiple aspects. As the working environment of employees recruited to the warehouse is affected much by those practices, the researchers met with the question whether the practices do have an effect on the satisfaction and motivation of the employees. Literature reveals that many other extrinsic and intrinsic dimensions which affect employee motivation and satisfaction have been reached, but a sufficient study has not been done to build a sophisticated body of knowledge on the impact of inventory management practices on employee motivation and satisfaction. The study was decided to conduct on a qualitative manner because it deals with human attitudes and behaviours. In order to conduct the study, two parties were interviewed in-depth until a saturation of data was observed. Thereby, the collected data were analysed using two analytical tools, namely thematic analysis and discourse analysis. The analysis generated the finding in which the inventory management practices have a remote relationship on the employee motivation and satisfaction together with other findings; in the current context, traditional policies which were included in theories are not practiced in majority of warehouses, and instead they have adopted some customized practices.

Meanwhile it was found that employees were focusing more on other motivational aspects such as allowances, remuneration and welfare benefits other than the inventory management practices.

Keywords: Employee motivation and satisfaction, Inventory management practices, Employee perspective, Manager perspective

Introduction

Apparel industry provides a significant contribution to the Sri Lankan GDP as exports since 1986. The percentage of contribution is about 52% of the total exports earning is from the apparel industry. Apparel industry provides a great contribution to the level of employment of the country by contributing with a significant percentage of 5% with an employment count of about 330000 employees over 1060 garments island wide (central bank report of Sri Lanka-2018)

At one time, employees were considered just another input into the production of goods and services. What perhaps changed this way of thinking about employees was research, referred to as the Hawthorne Studies, conducted by Elton Mayo from 1924 to 1932 (Dickson, 1973). This study found employees are not motivated solely by money and employee behaviour is linked to their attitudes (Dickson, 1973). One of the greatest challenge organizations face today is how to manage turnover of work force that may be caused by migration of a lot of industrial workers.

This may be because of their lack of Motivation and commitment for the organization; this point of view emphasizes the importance of the study of Motivation and its relationship to Job Satisfaction (Singh and Tiwari, 2011). Every successful organization is backed by a committed employee base, and the commitment is the outcome of motivation and job satisfaction. It is the energy that compels employees towards organizational objective. It would be impossible for the organization to generate performance without commitment. In order to create a competitive advantage organization, need to have a competitive employee policies and practices (Varma, 2017)

When considering the employee perspectives, this research mainly focuses on the outlook of the employee motivation and satisfaction. Motivation is an important stimulation which directs human behaviour. No individual has same attitude or behaviour, hence in midst of this diversity organization are supposed to frame practices which will be able to satisfy the group and not just an individual (Varma, 2017). According to Chan and Lynn, (1991), the organizational performance basis must attach the profitability, productivity, market effectiveness and customer satisfaction with the confidence of the employees, whereas the behaviour of employees holds a crucial role in the organization. As per Gungor (2011), pointed out organizations are seeking to develop, motivate and increase the performance of their employees in a variety of human resource applications.

When consider the ongoing processes in the organization, it is important to pay much attention on inventory management and warehouse practices in the inventory management systems. As per Lavelly (1996), Inventory management is the active control plan of actions, which

permits an enterprise to conduct its manufacturing, purchases, payments, sales, and distributions. So, to keep the inventory management in warehouse in an effective and efficient way, there are well prepared and maintained management practices in the warehouse to keep the work flow in an effective way continuously. As the part of warehouse, the management must concern on employees and implement warehouse practices which effect on employees in a better way. When the employees are satisfied with their working schedules, it is benefit to the organization. According to shell and Duncan (2000) satisfied employees are more positive work environment for organizations to create work, because job satisfaction is more important for the organization.

Statement of Problem

This research is mainly focus on the relationship of the inventory management practices in the perspectives of employees regarding motivation and satisfaction of the employees in apparel industries in western province. Here in this study it refers on inventory management practices which effect on the perspectives of employee in the operational and executive levels express the use of traditional inventory management practices on modern warehouse processes. Finally, it pays attention on the awareness of employees towards the inventory management practices.

When studying in this area, many researchers payed attention on effects of inventory management practices for development of employee satisfaction and also there are studies which concern on connection of effects of other respective areas on the employee motivation or talk about perspectives of employees such as Mpwanya, 2005 (Inventory management as a determinant for improvement of customer service (Lewis et al., 1998). But

there is no any study which concern on effects of inventory management practices on the perspectives of employees in apparel industry. It will be the gap of the study.

Objective of the Study

The objectives consider in the studies is to investigate the effects of inventory management practices on employee perspectives on motivation and satisfaction in garment/apparel manufacturing industry

Experimental Design

The problem statement will articulate how the inventory management practices will influence on the employees who are work in warehouses. Thereby, the research is adjoining with behaviours, feelings, emotions, attitudes of employees. Thus, it is better to adopt Qualitative methods since it is dealing with motives and attitudes of employees (Creswell,1998). Furthermore, McDaniel and Gates (1999) had also underscore the usefulness of maintaining the qualitative methods when the overall research objectives are interpretations and understanding of meanings.

Accordingly, the summary of Research onion can be expressed as, a qualitative research with Interpretivism philosophy, inductive approach, multiple method qualitative choice, and cross-sectional time series, respectively. Moreover, data analytical tools would be both thematic and discourse analysis which will be further illustrates in following sessions.

The researchers have gathered data about the attitudes and feelings of executive and operational level employees in relation to the inventory management practices through a semi-structured interview guide with 16 questions for managers and 12 questions for employees. The data have been gathered in cross sectional time

period by the researchers for 3 months (90 days) time period

Managers and employees who are work in apparel sector warehouses in Sri Lanka has been conceded as the population. Under Non Probabilistic convenient sampling method the researchers have conducted research and after visiting sixth organization in the apparel sector the researches have come to a data saturation point because the researchers found that unique information are being provided by elements in the sample. With that the researchers have concluded the data collection.

Furthermore, Thematic analysis is an independent qualitative data analytical tool which describes methods for identifying, analyzing, and reporting themes within data Braun and Clarke (2006) also researchers have followed up the basic six steps of familiarisation with data, coding, searching for themes. Reviewing themes, defining and naming themes and writing up. In order to ensure the reliability of the outcomes, the researchers have also further analysed data under discourse analysis as well.

The research was conducted with the primary purpose of finding the effect of inventory management practices on the perspectives of the employees' mind-set in relation to the apparel industry in the western province of Sri Lanka. Thereby the researchers identified eight categories after conducting open coding and axial coding.

Analysis

As per the thematic discussion, the responds were recorded at the data collection was analysed using managers and the employee perspectives separately. At the manager perspective analysis researchers have recognized open codes such as Outsourced, Frequency of audits,

Base of audits Per order issue, Availability, make to order, Customized using integration of two or more above, Issuing based on a pre-planning. The axial codes which derived through the open codes utilized to conduct in-depth interviews with respondents are announced, unannounced/sudden, Order chart, Priority chart. The researchers identified that in the contemporary inventory management practices what are the salient factors considered at the inventory management. Meanwhile the managers exploited the view of them, how will the inventory management practice effect on the employee mind-set. In case the first theme identified was Warehouse Utilization. For the respective theme, the managers have responded as follows, 'We use a decentralized structure', 'We have got warehouses for each sub businesses', 'We use a centralized structure. Because we always try to use the warehouse as minimum as possible and adopt Just in time concept', 'We use a centralized structure', 'We have a centralized warehouse. As we only have 2 retail outlets we found it easy to use a central warehouse', 'earlier we have practiced decentralized warehouse system but now we have planned to have a centralized warehouse because, by having warehouse for each branch will cost and sometimes it may go out of control', 'We have a centralized warehouse system because it is very much easy for us to handle all the inventories from a centralized point since it reduces unnecessary costs and wastages'

When it is considered with the employees the employees were interviewed by the researchers in deep along with a separate interview guide. When revealing with the facts it was identified that the employee intention, courage towards working in the warehouse environment are affected through the inventory management practices of the warehouse. Both positive

and negative perceptions were revealed through employee responds. As an example when it comes to the first theme derived by the employees' interviews was 'Types of Inventory Items Hold in Warehouses' and the respondents responded 'There are mainly 2 types of inventory items that we hold in our warehouse. They are raw materials which includes fabric and cut panels. 'We basically handle the inventories such as silk, cotton, poplin, satin, lace and finished garment items. 'We are handling women's wear such as skirts, blouse, frocks, kids wear such as frocks, shirts, napkins, men's wears such as shirts, trousers, t-shirts, collarless shirts and sport wears such as bottoms, body armours, tights, fancy items such as watches, shoes, bags etc.'. 'We only handle the ladies wear garment items like casual wear, party wear, night dresses, under wears for female and trousers, skirts, salwar, sarees etc.'. 'Mainly inventories such as fabric rolls, cut panels, buttons, zip, polythene, hard boxes etc. also the finished garments', 'Basically, raw material is the main type of inventory held by the warehouse in addition to that other materials which adds the value of garments such as sequence, buttons, zip etc.'

Discourse Analysis

In the discourse analysis both the operational level employees and the managerial employees' responds were taken into a single platform in which the contradicting points were considered with the similar points revealed through respondents were discussed at once. The first section of the discourse analysis can be elaborated as follows, 'Firstly, when take the information and details of the organization 1, there are gathered data from the managerial viewpoint and employee view point. So when it comes to the knowledge of what kind of inventories that holding in the warehouse, the warehouse manager he has a clear idea on

the items that holding inside the warehouse since he explains how the sub items and main inventory items that hold in the warehouse. When it comes to the employee, he knows the basic idea on the inventory items that his ware is managing. He stated as "There are mainly 2 types of inventory items that we hold in our warehouse. They are raw materials which includes fabric and cut panels." There by the knowledge on the inventory items that are handled inside the warehouse, have a little gap but both sides have the idea from different levels. Thereby through this research it can be suggested that Organizations need to take necessary steps to educate employees which lead to increase the confidentiality of the employees in order to increase the productivity of the employees in the warehouse. Meanwhile steps to increase employee literacy on inventory management should be taken in order to get the employees motivated in the warehouse

Conclusion

The study was carried with the primary objective of finding the nature of the relationship from inventory management practices to the employee perspectives.

Thereby the key finding can be concluded that the inventory management practices have a remote relationship for the employees' perspectives in which it can be integrated with the other motivation and satisfaction aspects such as allowances, remuneration and welfare benefits in order to increase the motivation and satisfaction of the employees of the warehouse. In addition, as per the findings of the study it was found that the warehouses are currently utilizing much customized warehouse inventory management practices. Average amount of the warehouses utilize the basic concepts in the traditional practices when they are designing the warehouse practices. Meanwhile additional findings of the study reveals that the majority of the employees who are working in the warehouse are not aware on the inventory management practices but in fact they are familiar on the basic aspects of the practices practiced inside the warehouse. When considering on this study the new theory of 'inventory management practices are minor tools for generating perspectives on employees' motivation and satisfaction

As per the findings of the research the researchers were able to conclude the research findings through a thematic map

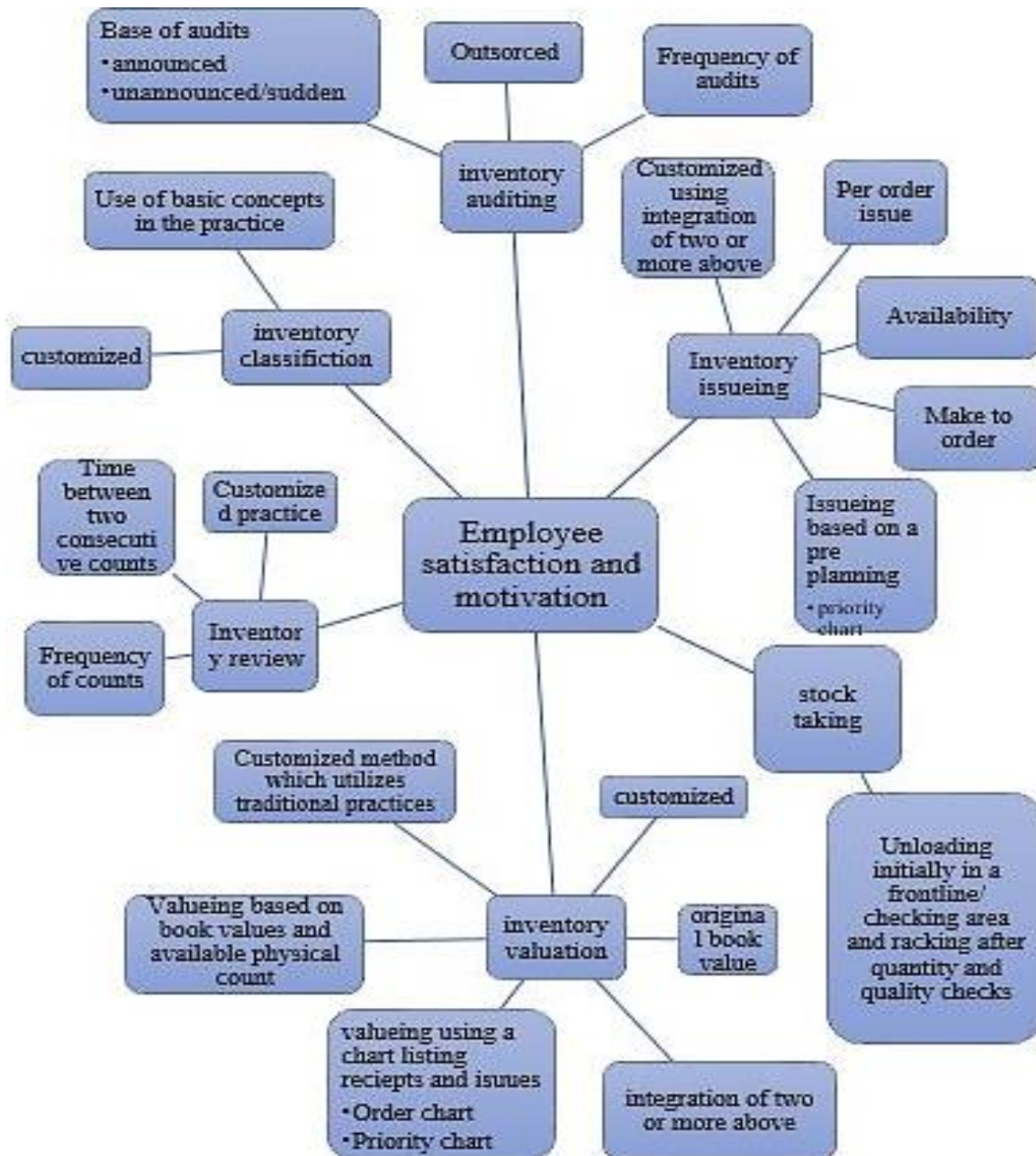


Figure 1: Theoretical framework(thematic map)
Source: Authors

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