



**THE IMPACT OF LEAN MANUFACTURING ON THE FIRMS EXPORT CAPACITY.**

**A CASE BIDCO UGANDA LIMITED**

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**JULY 2024**

## DECLARATION

### DECLARATION

I do hereby declare that this research titled **the impact of lean manufacturing of export capacity in BIDCO Uganda Ltd** has been done as a result of my own efforts except instances where scholarly literature has cited and it has never been submitted to any other institute of learning for any award

Signed.....

Date.....03/Sept/2024

Itaok Allan

## APPROVAL

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### APPROVAL

This dissertation titled the impact of the impact of lean manufacturing of export capacity in BIDCO Uganda Ltd has been submitted for examination with our approval as an institute supervisor

Signed.....

Date..... 31 Sept /24

**Mr. Emojong Ronald**

## **DEDICATION**

This research is dedicated to my family members especially, my brother **IMAILUK PETER**, my mother **AKODOI MARGRET** and also my beloved RCC **OMAL WYCLIFE** not forgetting my great friend **OKWAKOL GEORGE** may the almighty God (Allah) reward and bless you abundantly.

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## **LIST OF ACRONYMS**

FY	Financial year
GDP	Gross Domestic Product
GOC	Government of Canada
IMF	International Monetary Fund
KRA	Kenya Revenue Authority
KShs	Kenya Shillings
MoF	Ministry of Finance
NBS	Nigeria Bureau of Statistics
OECD	Organization for Economic Cooperation and Development
SPSS	Statistical Package for Social Sciences
SSA	Sub-Saharan Africa
TZS	Tanzania Shillings
UGX	Uganda Shillings
UK	United Kingdom
URA	Uganda Revenue Authority
CRM	Customer Relationship Management

## **ABSTRACT**

This study focused on assessing the impact of lean manufacturing on export capacity. A case of BIDCO Uganda Ltd. The study applied a cross-sectional research design and a quantitative approach. Data was collected from a target population of 58 with accessible unit of inquiry being 50 respondents consisting of employees of BIDCO Uganda Ltd. Data was collected using a closed ended questionnaire and analysed using the statistical package for social sciences from which, frequency tables, descriptive statistics, reliability, validity, correlation and regression results were obtained. The study findings revealed that there is a positive and significant lean manufacturing on export capacity in BIDCO Uganda Ltd. The study therefore recommends that to improve on export capacity, aspects supplier relationship, manufacturing planning and control and customer relationship should be put on the forefront.

# CHAPTER ONE

## 1.0 Introduction

This chapter presents the background of the study, statement of the problem, the purpose of the study, research objectives, research questions; the scope of the study; the significance of the study; the conceptual framework and the definitions of the terms.

## 1.1 Background of the Study

Manufacturing plays a dynamic role in the growth of economy (Nganou et al., 2019). According to (Nganou et al., 2019), the concept of manufacturing sector arises from the concepts of efficiency and effectiveness to produce and it contributes to 27.6% GDP to the economy. However, a report by UIA, (2022) on Uganda's manufacturing sectors showed that despite the economic transformation, manufacturing sector is still stagnated due to poor inventory management controls, high costs of infrastructure, limited availability of technical and managerial skills as cited by (Goodfellow & Huang, 2022).

In Africa, according to (World Bank, 2017) Manufacturing firms in bring numerous benefits, contributing to economic development, job creation, technological advancement, and social improvement. That is to say Manufacturing significantly contributes to GDP growth. For example, in Ethiopia, manufacturing output increased by 7% annually between 2010 and 2015 (World Bank, 2017) . Manufacturing creates numerous direct and indirect jobs. In South Africa, manufacturing employs about 10% of the workforce, illustrating its role in job creation (Statistics South Africa, 2020) . despite of the above relevance of manufacturing their export capacity is still wanting this is evident through various indicators such as low share in global trade, limited diversification, high dependency on primary commodities, inadequate infrastructure, and trade barriers. Africa's share in global merchandise exports has remained low, at around 2-3% over the past decades. ( ) This low participation reflects the continent's limited capacity to compete in the global market (UNCTAD, 2020). Sub-Saharan Africa's total merchandise exports accounted for only 1.7% of the global total in 2018, highlighting the region's marginal role in international trade (World Bank, 2019) . More than 75% of Africa's exports are primary commodities, including oil, minerals, and

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