

**PERCEPTION ON LOGISTICS OUTSOURCING AT THE
KENYA DEFENCE FORCES**

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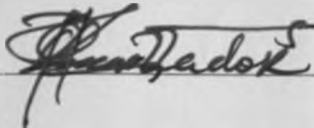
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**A RESEARCH PROJECT SUBMITTED TO THE SCHOOL OF
BUSINESS IN PARTIAL FULFILLMENT OF THE REQUIREMENTS
FOR THE AWARD OF THE DEGREE OF MASTER OF BUSINESS
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DECLARATION

This research proposal is my original work and has never been presented in any other University or College for the award of degree or diploma or certificate.

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This research proposal has been submitted for examination with my approval as the University Supervisor.

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Finally, I am deeply grateful to the Almighty God who makes all things possible and for giving me strength, good health and sound mind throughout the study period.

DEDICATION

I dedicate this research project to the Almighty God for His grace, mercy and blessings that have seen me through.

To my lovely wife Liz and sons, Chris and Cecil who kept on encouraging me even though I never felt like giving up.

ABSTRACT

The purpose of this study was to determine the factors affecting the perception on logistics outsourcing at the Kenya Defence Forces. The factors that were considered include the availability of Logistics Service Providers, the nature of logistics services, the policy and regulations on logistics outsourcing, the budgetary allocations for logistics outsourcing, the secretive nature of the military service and the challenges in logistics outsourcing. The kinds of logistics services that were evaluated included support services, ICT services and ordinance.

This was a case study of the Kenya Defence Forces for the period between 2002 - 2011. The main source of secondary data was the Ministry of Defence Website and the Defence Staff College Logistics Basic Book. Primary data was collected by use of questionnaires that were administered to the respondents at their work stations. The collected data was analyzed by use of exploratory factor analysis technique by aid of descriptive statistics using the Statistical Package for Social Sciences (SPSS).

Major research findings indicated that outsourcing of support services was mainly affected by availability of logistics service providers while outsourcing of ICT services was mainly affected by the secretive nature of the military service and budgetary allocations had a major effect on the outsourcing of ordinance. The main conclusion was that Kenya Defence Forces was in a dilemma on how to take advantage of the increased space to focus on the core mandate through outsourcing logistics services while at the same time overcome the possibility of compromising its security and avoid exposure to the enemy. The researcher recommends adequate budgetary allocations, a model to align policies and practice of logistics outsourcing and a legal framework to guard logistics outsourcing at KDF.

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CHAPTER ONE

INTRODUCTION

1.1 Background of the study

Logistics represents the interface between outgoing and incoming flows in the supply chain of an organization. One side is the transportation infrastructure and the transportation mode, the prerequisite for logistics. On the other side are the transportation means used within each mode, the operational side of logistics. Logistics outsourcing involves a relationship between a company and a Logistics Service Provider which, compared with basic logistics services, has more customized offerings, encompasses a broad number of service activities, is characterized by a long-term orientation, and, thus, has a rather strategic nature (Ansari & Modaress 2010). Logistics outsourcing is often thought of as a make-or-buy decision, implying that it is largely based on cost efficiency, but increasing competitiveness and complexity make it a strategic option (Bradley, 1998). As a result, a company may pursue logistics outsourcing for one or more reasons: its own lack of logistics expertise; the desire to focus on its own core competency; the difficulty in maintaining communication and information technology that is up to date; the desire to improve system capabilities along the global supply chain; and the desire to build flexibility within available resources. Logistics providers, on the other hand, often have a global expertise that is highly valuable but too costly to develop in-house (Bradley, 1998).

Throughout history, military leaders have constantly been reminded of the necessity of adequate supply lines so that their troops might achieve victory on the battlefield. That has been particularly true in offensive and geographically expansive warfare when the aggressor's early successes have often given way to humiliating defeat. Overextended forces, though usually more experienced and greater in number, may often not hold the day against a

smaller, less capable, but fully supplied enemy operating on its own turf. Thus, the ability of the military to deliver the essentials of war to the forces in the field in terms of food, clothing and equipment is a critical and definitive consideration in assessing the likelihood of success of a military campaign. Valor and skill are of little value without the supplies to back them up, and the greater the distance between those engaged in battle and the source of their supplies, the less certain the victory (Yim-Yu et al 2000).

1.1.1 Logistics Outsourcing

Logistics outsourcing has increasingly become a popular alternative to the traditional logistics service mode (Laarhoven et. al., 2000). The most likely services to be outsourced are supportive activities, such as transport (Fernie, 1999). Some strategic functions that have been outsourced include logistics information systems management and inventory management (Lieb and Miller, 2002). Organizations, the military included, can either keep logistics functions in house or contract them out. The decision process is based on an evaluation of the costs and benefits of outsourcing. A user could reduce capital investment in logistics facilities, focus on core activities, reduce inventory, improve response rate to marketing and reduce logistics costs through outsourcing (Lieb and Miller, 2002).

Lambert and Stock (1999) assert that outsourcing provides a certain power that is not available within an organization's internal departments. This power can have many dimensions: economies of scale, process expertise, access to capital, access to expensive technology, etc. Another possible benefit is that outsourcing provides organizations with greater capacity for flexibility, especially in the purchase of rapidly developing new technologies, fashion goods, or the myriad components of complex systems (Harrison, 1994). Furthermore, the outsourcing coordination of flows of goods will allow for economies of scale and economies of scope that might not be feasible otherwise.

The outsourcing of logistics functions to partners, known as third-party logistics providers, has increasingly become a powerful alternative to the traditional, vertically-integrated firm. A growth in the number of outsourcing partnerships has contributed to the development of more flexible organizations, based on core competencies and mutually beneficial longer-term relationships (Elliot et al. 1999). There are however some factors that work against outsourcing, such as loss of control, losing touch with important information, failure to select or manage providers properly, and lack of confidence in outside providers.

1.1.2 Military Logistics Outsourcing

In the military, logistics encompasses the broad activity from production to consumption, movement, deployment and withdrawal. It includes medical support and personal services necessary to support the moral component of the fighting power. In military science, maintaining one's supply lines while disrupting those of the enemy is a crucial—some would say the most crucial—element of military strategy, since an armed force without resources and transportation is defenceless. The outsourced logistics should be able to replenish and regenerate combat forces through a flexible resupply system that ensures that demands are met at short notice using any available means of delivery. This would allow the military personnel to focus on the core business: Protection of the territorial integrity of the country (Ansari & Modares 2010).

In most cases, military logistics outsourcing would involve two main functions of the military: Operations and Information Systems. Operations would include inventory management and transportation services. The main quality concerns for the military would be adaptability to accommodate changes to the shipper needs, efficiency in providing services, effectiveness in providing services, flexibility in handling contingency plans, and agility – how fast the logistics service provider can respond to changes. Other operations services to be outsourced

include warehousing facilities where the main concern would include infrastructure that can meet future expectations, availability of state-of-the-art technology at receiving and shipping locations while maintaining a high level of inventory, accuracy of orders processed , on-time shipping and ordering and holding cost savings and other factors (Greis & Kasarda 1997)

Outsourcing of information systems plays a central role in regulating the flow of information to and from customers and in optimizing the internal flow of information across the transactional areas of the logistics system. As Greis and Kasarda (1997) indicate, logistics information systems have the power to create economies of conjunction within the military, which are derived from the occurrence of multiple events and transactions (e.g. customer ordering, freight payments, and shipment planning) in a single time and place. In many cases, the military choose to contract the operation of their logistics information systems with third-party logistics providers in order to realize the economic benefits associated with logistics information technology without extensively investing on capital assets and human resources (Drucker, 1993).

1.1.3 Perception on Logistics Outsourcing in the Military

Perception has been defined as the process by which people translate sensory impressions into a coherent and unified view of the world around them. Though necessarily based on incomplete and unverified (or unreliable) information, perception is equated with reality for most practical purposes and guides human behaviour in general (www.businessdictionary.com). Perception involves the process by which individuals decipher information on everything they encounter. Therefore, it is different for everyone and the outcome varies from person to person. Certainly there is a difference between reality and perception of reality every instance people are bombarded with millions of stimuli or data. Logistics outsourcing is often thought of as a make-or-buy decision, implying that it is

largely based on cost efficiency, but increasing competitiveness and complexity make it a strategic option (Bradley, 1997). As a result, a company may pursue logistics outsourcing for one or more reasons: its own lack of logistics expertise; the desire to focus on its own core competency; the difficulty in maintaining communication and information technology that is up to date; the desire to improve system capabilities along the global supply chain; and the desire to build flexibility within available resources.

1.1.4 Kenya Defence Forces

The Kenya Army, Kenya Air force and the Kenya Navy comprise the Kenya Defence Forces. The current Kenya Defence Forces was established, and its composition laid out, in Article 241 of the 2010 Constitution of Kenya. The President is the commander-in-chief of all the armed forces. The military enjoys, in general, a good reputation. It is regularly deployed in peace-keeping missions around the world and generally commended for its professionalism (www.mod.go.ke/kenyadefenceforces)

The Kenya Army services include the Kenya Army Ordnance Corps who support the Kenya Army through acquisition and distribution of ordinance stores and material in order to sustain operations both in peacetime and war, Corps of Transport whose primary role is the provision of 2nd & 3rd line transport support to the Army during operation and training, while the secondary role is the provision of aid and support to civil authority in the maintenance of order. Electrical and Mechanical Engineers to ensure the operational fitness of electrical and mechanical equipment of Kenya Army, Corps of Signal who install, operate and maintain Communications and Information Systems (CIS) support in the Kenya Army, Military Police Corps who provide quality provost support services to the Kenya Defence Forces in order to defend the Nation against external aggression, while the secondary role is the provision of aid in support to civil authority in the maintenance of Law and Order, and active participation in

national ceremonial functions, the Kenya Army Education Corps who do research, write and publish education material, and train military personnel in academic programmes to the highest levels. The Medical battalion who give medical support to the Kenya Army during both peacetime and operations while their secondary role is to aid civil authority in the maintenance of order and the Armed Forces Constabulary who provide physical security to Defence Forces installation and protect them from theft or damage and destruction by fire (www.mod.go.ke/kenyadefenceforces)

The Kenya Air Force's mission is to be an efficient and highly motivated mission ready Air Force, anchored on professionalism and responsive to national challenges. To achieve its primary and secondary missions, the Kenya Air Force is organized into Bases and Forward Operating Bases and is equipped with a wide range of air assets and a capable human resource. All phases of combat readiness training are conducted continuously to ensure proficiency and preparedness. The primary mission is defence of the Kenya Airspace during war and maintenance of sovereignty of that airspace at all times. The secondary mission is to support its sister services in pursuance of national objectives and to aid the civil authority during periods of national calamities, national undertakings and any other activity that may be specified (www.mod.go.ke/kenyadefenceforces)

The mission of the Kenya Navy is to defend the country against external sea-borne aggression, offer support to civil power in maintenance of law and order while remaining poised to civil assistance in times of disaster and crisis and any other duties as may be assigned from time to time by the Chief of the General Staff. The primary roles include, policing Kenya's territorial waters, surveillance and protection of vital areas. The secondary roles include search and rescue operations, fisheries protection, prevention of contraband trade and illegal immigration, diplomacy - flag showing. Environmental patrols,

Safeguarding sea lanes of communications, deterrence, protection of offshore resources, aid to civil authority and the prevention of illegal immigrants & contraband (www.mod.go.ke/kenyadefenceforces)

1.2 Research Problem

The concept of outsourcing products and services has taken root in many organizations as they strive to focus their resources on their core businesses and match the fierce competition in their respective industries. Organizations, the military included, can either keep logistics functions in house or contract them out. The decision process is based on an evaluation of the costs and benefits of outsourcing. In the military, the outsourced logistics should be able to replenish and regenerate combat forces through a flexible resupply system that ensures that demands are met at short notice using any available means of delivery. Logistics outsourcing is desirable in the military due to the fact that it allows the military personnel to focus on core business: Protection of the territorial integrity of the country (Yim-Yu et al. 2000)). However, at the Kenya Defence Forces, logistics services are still being internally sourced (Defence Staff College Logistics Basic Book 2011). This has resulted in many inefficiencies, high costs and distraction from the core business of protecting the integrity of the borders of Kenya and maintaining international peace.

Some studies have been conducted to establish the challenges of outsourcing logistics services and also establish the adoption rate of the outsourcing concept at the Kenya Defence Forces. Githaiga (2011) conducted a study on the challenges facing the implementation of strategies within the Kenya Armed Forces and noted that the bureaucratic structure, secretive nature of the armed forces operations and lack of a concerted leadership effort explain the slow and uncoordinated implementation of strategies at the Kenya Armed Forces. Gathithu (2010) conducted an analysis of the adoption of information systems outsourcing at the

Kenya Armed forces and found that the adoption rate is far too low compared to other military forces in the world like the United States of America where logistical support has become so important that it has risen from a secondary function within a specific operational component to the separate mission of a centralized, independent command, reporting directly to its headquarters in the Pentagon. Yim-Yu et al. (2000) also studied the importance of strategic alliances and logistics outsourcing in the military practice and confirms the advantages of outsourcing logistics services including the attainment of a certain power that is not available within military's internal departments in the form of economies of scale, process expertise, access to capital and access to expensive technology and greater capacity for flexibility, especially in the purchase of rapidly developing new technologies, fashion goods, or the myriad components of complex systems.

From the studies above, the factors hindering logistics outsourcing in the military has not been explicitly studied and this represents a knowledge gap that this study will seek to fill. Therefore, this study will seek to identify the factors hindering logistics outsourcing at the Kenya Defence Forces. This will be achieved through the investigation of the following question: What are the factors hindering logistics outsourcing at the Kenya Defence Forces?

1.3 Research Objective

The objective of the study will be to determine the factors affecting perception on logistics outsourcing at Kenya Defence Forces.

1.4 Value of Study

The government and other policy makers will find the information useful in improving the regulation and operations of logistics outsourcing services in the defence forces. Current and future scholars in the field of Procurement and Supply Chain Management may use the

findings of this research to understand the importance and challenges of adopting logistics outsourcing strategies in various organizations.

At the end of this study, there will be an increase in the knowledge of the factors affecting logistics outsourcing at the Kenya Defence Forces. Both the existing and future leaders of the defence forces can use the findings of this study to understand and appreciate the role played by outsourcing of logistics in delivering the strategic objectives of the military forces. The study will also provide practical solutions to the challenges that might emanate from the practice of logistics outsourcing in the military.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter discusses the factors affecting perception on logistics outsourcing in organizations including the military. Finally, the chapter presents the conceptual framework of the factors affecting perception on logistics outsourcing at the Kenya Defence Forces.

2.2 Factors Affecting Perception on Logistics Outsourcing

Many organizations, including the military and commercial entities consider many factors in determining the viability of outsourcing logistics services. The main factors include availability of logistics service providers, nature of logistics services to be outsourced, financial constraints and policy provisions (Bradley, 1997).

2.2.1 Availability of Logistics Service Providers

There has been considerable interest worldwide in the last few years in the growth of third party logistics providers. These firms typically provide some of the following services: Warehousing operations, freight payments, carrier selection and rate negotiation. In addition, third party logistics firms may develop information systems and manage inventory and customer order fulfillment (Golop and Reagan, 2001). Several recent studies have addressed the issue of growth in the third party logistics market in detail. A study by Murphy and Poist (1998) provides a review and synthesis of research on this topic. Their study suggests that while current use is fairly low, the majority of users of third party logistics services will increase such use in the near future. The next step in the evolution is that freight transport and forwarding firms, which handle logistics operations on behalf and on credit of the shipper, can be called on as the third party logistics providers of the first generation (Berglund et al.,

1999). The fourth party logistics provider integrates the logistics services provided to the shipper as part of a partnership, managing and optimizing the whole supply chain (network), including both operational and strategic levels (Magill, 2000). Bade and Mueller (1999) define the fourth party logistics firm as the Supply Chain Integrator (SCI), managing the firm's own resources, skills and knowledge, as well as its technologies, combining them with sub-suppliers for delivering the holistic supply chain customers.

However, in order to focus on its unique competency and avoid substantial investment, many a company outsource to logistics management providers, who, in turn, often further outsource to third-party logistics companies. This results in the centralization of information systems, greater efficiency at lower cost, and value-added service to customers along the global supply chain. It has become possible because of the Electronic Data Interchange (EDI) resource, which allows the centralization, consolidation and distribution of logistics information (Hoffman, 1997). The result is that successful outsourcing and third party logistics management have now become ways to build competitive advantage. Some organizations have already made logistics outsourcing and third party logistics management a priority in corporate planning (Andel, 1995).

Recent studies performed in Europe in the same period report that market growth has not been as rapid as predicted in earlier studies. Stone (2000) reports that while European users of third party logistics services are satisfied with services received, they have not, in general, increased their use of such services during the last few years. However, many have increased the breadth of services purchased beyond warehousing and transportation. Schary and Skjott-Larsen (2001) claim that logistics services in Europe have shifted, first from the market transaction to the outsourcing of freight transport and warehousing, and then to third party logistics and fourth party logistics companies. A survey based on 1,000 managers worldwide

by the PA Consulting Group (1996) revealed that only 5 percent of organizations gained high levels of economic benefit from outsourcing and that 39 percent of organizations admitted mediocre economic benefit.

The Kenya Defence Forces Logistics support services is mainly by the Kenya Army with specialised support from the sister services of Kenya Air force and Kenya Navy. These include Supply Support, Transport, and Equipment Support services. Also included are Engineers Support, Medical Support and Provost Support. Currently, the Kenya Defence Force has not contracted any third party logistics supplier (Defence Staff College Logistics Basic Book 2008).

2.2.2 Nature of Logistics Services

Integrated Logistics Support (ILS) is a discipline used in military industries to ensure an easily supportable system with a robust customer service concept at the lowest cost and in line with (often high) reliability, availability, maintainability and other requirements as defined for the project (Yim-Yu et al. 2000).

Research on modern functional logistics systems can be traced to the work conducted by De Hayes and Taylor (1974), who concluded that logistics systems were critical in providing the customers' time and place utilities associated with every final product. Bowersox (1974) complemented these concepts by noting that the conceptualization of logistics as a functional system is crucial to improving the efficiency in the flow of goods and information and to meeting low-cost, fast, and reliable delivery objectives within a firm and throughout a network of firms. According to Bowersox (1974), a system of logistics functions can be divided into five broad areas: facility location; transportation; inventory; communication; and material movement.

More recently, Novack et al. (1992) updated Bowersox's logistics framework by highlighting some of the misconceptions associated with a purely functional view of logistics activities. According to Novack et al. (1992), a linear functional sequence obscures major logistics objectives and complicates the management of logistics processes. He also recommended a classification framework in which the optimization of the logistics systems takes precedence over the optimization of individual logistics activities.

Novack et al. (1992) also introduced a new dimension to Bowersox's framework. This new dimension divided all logistics activities into two categories. The first category includes the physical activities that are required to create form, time, and quantity utilities of customer need. These activities encompass inventory, transportation, and customer service operations. The second category includes the transaction activities that follow or initiate the physical activities previously presented. The activities in this category are centred on transaction negotiation areas (like the interaction between firms through the purchasing of inbound materials, supplies, and products) and order cycle management areas (like the management and control of information flows necessary to create customer service in the logistics system). Authors such as Granzin and Bahn (1989) and Sharma et al. (1995) also refined Bowersox's work by applying the conceptual foundations of Bowersox's model to decisions and activities of consumers within a logistics framework. Their research contributed to the logistics research by identifying direct links between logistics operations and the final consumption of goods, through the provision of customer service, and by introducing a new customer-oriented logistical interface into the model.

In the Kenya Defence Forces, the supply support services like provision of food and ration, petroleum oil and lubricants and ammunition is carried out by Kenya Army Ordinance Corps (KAOC) who support the Kenya Army through acquisition and distribution of ordinance

stores and material in order to sustain operations both in peacetime and war. Transport services is provided by Kenya Army Corps of transport whose primary role is the provision of 2nd and 3rd line transport support to the Army during operation and training. Kenya Army Electrical and Mechanical Engineers (KAEME) ensures the operational fitness of electrical and mechanical equipment by carrying out maintenance and repairs. Medical support is provided by medical battalion. Provost duties like apprehension of prisoners of war and burial of casualties is carried out by the Military Police Corps. All these services are best coordinated through effective communication provided by the Corps of Signal who install, operate and maintain communications and information systems (CIS) support in the Kenya Army (Defence Staff College Logistics Basic Book 2008).

2.2.3 Policy and Regulations on Logistics Services

Traditionally, logistics management in the private sector was only a support function and was sometimes relegated to a 'traffic council' within the organization (Pagonis et al., 1992). However, it now receives increasing attention in corporate strategic planning because of the globalization of competition and the complexities that have developed. Often, products are designed in one location and materials obtained in a second. Assembly may take place in a third, sales in a fourth and product support services in a fifth. Accounting for 25% of retail cost, on average, effective logistics management has become a vital factor in measuring a company's success (Wood, 1995). One of its functions is to create a seamless system that allows a product to be delivered to market efficiently and at minimum cost. The Japanese approach is a prime example. Because thirty percent of Japan's autos are manufactured overseas and transportation is a critical element, a senior vice president of logistics with tangible responsibilities and cross-functional oversight is placed in charge, an approach viewed favourably by Pagonis et al. (1992).

Some classes of supply may have a linear demand relationship—as more troops are added more supply items are needed—as more equipment is used more fuel and ammunition is consumed. Other classes of supply must consider time as a third variable besides usage and quantity. As equipment ages more and more repair parts are needed over time, even when usage and quantity stays consistent. For instance, in the military, history has shown that good logistical planning creates a lean and efficient fighting force. Lack thereof can lead to a clunky, slow, and ill-equipped force with too much or too little supply.

In the Kenya Defence forces each Regiment is expected to be sufficient in terms of provision of first line logistics support. As a back up to the logistics support provided by each Regiment, the Kenya Defence Forces is composed of 2nd Line, 3rd Line and 4th Line components organized in Echelons. The Forward Maintenance Base (FMB) located approximately 200Kms from the theatre of operation and Forward Maintenance Area (FMA) located approximately 100Kms from the theatre of operation, provide 3rd Line logistics support. The 2nd Line logistics support is available at the Brigade Administration Area (BAA) located approximately 30Kms from the theatre of operation. The 4th Line Logistics Support is provided by specialised civilian organization within the designated areas (Defence Staff College Logistics Basic Book 2008).

2.2.4 Budgetary Allocations for Logistics Services

Many organizations believe that logistics has become a highly specialized, complicated affair that is too costly and too risky for a company to assign to subordinate levels within its own organizational structure (Browne and Allen 2001)

Outsourcing can give the organization an immediate access to resources, equipment, and management expertise that would cost billions of dollars to develop internally. Further, outsourcing enhances the overall quality of performance in the global supply chain. It not

only allows the outsourcing organization to achieve operational goals, such as cutting cycle and delivery times and ensuring accurate shipments, but it also promotes competition among service providers, motivating them to continue renewing and refining their services. As a result, the logistics provider and the outsourcing organization frequently grow together and move into new markets. Outsourcing also allows a company to change its strategic allies (in this case, logistics management providers) if they do not perform to agreed standards, which often include the company's own unique demands. Further, by outsourcing, the company can conceivably reduce its asset-commitment and preserve or invest the resulting capital. Other advantages in outsourcing include increased customer satisfaction, lower liability costs, and trimmed inventories

Zhang & Keith (2001) contend that today, in the USA, manufacturing is the industry sector most likely to outsource, with durable goods accounting for 39 percent of all activity, and nondurable goods accounting for 25 percent). In addition, with a global outsourcing market estimated at £188 billion in 1998, and with annual growth rates of 15 percent the distinction between economic activities in different sectors has become blurred. Although outsourcing is undertaken by many organizations to control or reduce costs, there is some evidence that it does not decrease costs as expected, and in some cases, actually increases costs. For instance, when an item is outsourced, the assumption is that the supplier's costs and required contribution is less than and will continue to be less than the cost of internal provision.

Stock (1990) found that many firms were able to reduce warehousing costs by routinely using information technology in their warehousing operations. These cost reductions were mainly attributed to the substitution of highly coordinated flows of information for assets (like inventories, facilities and equipment).

The Kenya Defence Force draws its budgetary allocations from the Ministry of Defence through the annual Government of Kenya Budget Plan. The particular votes dedicated to items like remuneration of staff, logistics services, purchase of equipment and development projects is not in the public domain due to security concerns. However, the fact that internal departments are entrusted with provision of logistics services also means that there is no elaborate procurement procedure on the same since the funds are allocated internally to execute the departmental functions (Defence Staff College Logistics Basic Book 2008).

2.2.5 Secretive Nature of Military Services

Governments often attempt to conceal information from other governments and the public. These state secrets can include weapon designs, military plans, diplomatic negotiation tactics, and secrets obtained illicitly from others (intelligence). Most nations have some form of Official Secrets Act and classify material according to the level of protection needed (hence the term classified information). An individual needs a security clearance for access and other protection methods, such as keeping documents in a safe, are stipulated. A military secret is secret information that is purposely not made available to the general public and hence to any enemy, by the military in order to gain an advantage or to not reveal a weakness, avoid embarrassment or to help in propaganda efforts. Most military secrets are military in nature, such as the strengths and weaknesses of weapons systems, tactics, training methods, number and location of specific weapons and plans. Some involve information in broader areas, such as secure communications, cryptography, intelligence operations and cooperation with third-parties (Moran 2012).

The Official Secrets Act (Cap 187) Section 4 of the Laws of Kenya states that any person who, for the purpose of gaining admission, or of assisting any other person to gain admission, to a prohibited place, or for any other purpose or in any manner prejudicial to the

safety or interests of the Republic uses, or has in his possession or under his control, without the authority of the Government department or authority concerned, any die, seal or stamp of or belonging to or used. made or provided by any Government department, or by any diplomatic, military, air force or naval authority appointed by or acting under the authority of the Government, or any die, seal or stamp so nearly resembling any such die, seal or stamp as to be calculated to deceive, or counterfeits any such die, seal or stamp. or uses, or has in his possession or under his control, any such counterfeited die, seal or stamp. shall be guilty of an offence

2.2.6 Challenges in Logistics Outsourcing

Although outsourcing is undertaken by many organizations to control or reduce costs, there is some evidence that it does not decrease costs as expected, and in some cases, actually increases costs. For instance, when an item is outsourced, the assumption is that the supplier's costs and required contribution is less than and will continue to be less than the cost of internal provision. As indicated by Van Damme and Ploos Van Amstel (1996), the market and firm characteristics influence the decision to contract multiple combinations of third-party logistics services. These services range from single transportation activities to integrated warehousing, distribution, and information management activities. Also several authors have indicated that across many industries logistics outsourcing has become a rapidly expanding source of competitive advantage and logistics cost savings. For example, some firms routinely have achieved up to 30 per cent to 40 per cent reductions in logistics costs and have been able to greatly streamline global logistics processes as a consequence of outsourcing.

Other studies, however, have indicated that some logistics outsourcing arrangements are not successful. Authors such as Boyson et al. (1999) have indicated that the success of

outsourcing agreements depends heavily on the management skills of the firms engaging the services of third-party logistics providers. These authors also suggested that the strategic outsourcing of integrated functions across the supply chain will be more effective than the gradual or piecemeal outsourcing of supply chain activities.

Competition among logistics management providers also adds to the value-added dimension and inspires them to tailor their services to the outsourcing company's needs. When the primary provider sees that it is not addressing those needs satisfactorily, as when Activity Based Costing (ABC) analysis indicates that there is cost inefficiency in performing certain logistics functions, it will further outsource those services to third-party providers (Troian, 1995). As a result, all parties benefit through more cost-efficient, innovative methods, and the capabilities of all strategic allies are expanded along the global supply chain. In some cases, to ensure that the best services are provided, some logistics companies have established multiple third-party provider alliances. It seems clear that third party providers will have increasing strategic significance for organizations that require instant and virtual global distribution capabilities.

In Kenya, Gathithu (2010) conducted an analysis of the adoption of information systems outsourcing at the Kenya Armed forces and found that the adoption rate is far too low compared to other military forces in the world like the United States of America where logistical support has become so important that it has risen from a secondary function within a specific operational component to the separate mission of a centralized, independent command, reporting directly to its headquarters in the Pentagon. Further, Githaiga (2011) conducted a study on the challenges facing the implementation of strategies within the Kenya Armed Forces and noted that the bureaucratic structure, secretive nature of the armed forces

operations and lack of a concerted leadership effort explain the slow and uncoordinated implementation of strategies at the Kenya Armed Forces.

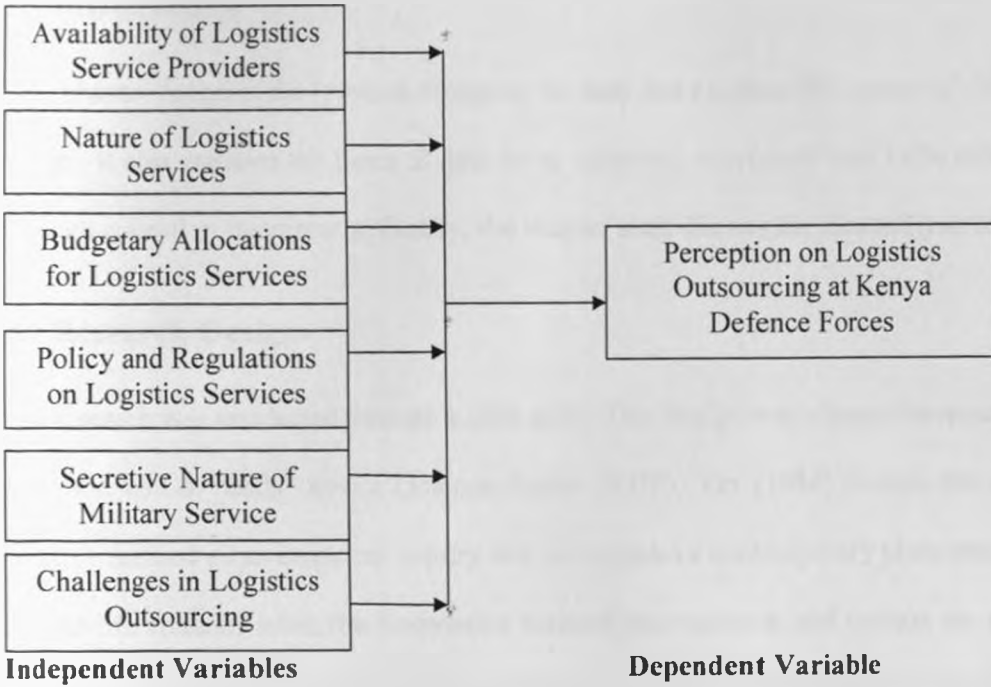
2.3 Summary and Knowledge Gap

The chapter has explored the various theories on logistics and outsourcing concepts. The scholars and practitioners from all over the world have come to the conclusion that logistics outsourcing requires a strategic approach in order to add value to the organization. The overall logistics outsourcing model and procedures is determined by the organization seeking logistics services and the logistics service provider is expected to serve the interests of the organization though in most cases the two parties end up growing together. It has also come out clearly that the organizations including military organizations across the globe are increasingly contracting services of logistics service providers in the provision of logistics services ranging from transportation to provision tools and equipment. Yim-Yu et al. (2000) studied the importance of strategic alliances and logistics outsourcing in the military practice and confirms the advantages of outsourcing logistics services including the attainment of a certain power that is not available within military's internal departments in the form of economies of scale, process expertise, access to capital and access to expensive technology and greater capacity for flexibility, especially in the purchase of rapidly developing new technologies, fashion goods, or the myriad components of complex systems. However, it is clear that the Kenya Defence Forces is not embracing the practice of logistics fast enough in tandem with the global trend despite the apparent benefits. In addition, there is no specific study that has been carried out to determine the exact factors that hinder the practice of logistics outsourcing at the Kenya Defence Forces. Therefore, this study seeks to fill the knowledge gap by investigating the factors that affect the perception on logistics outsourcing at the Kenya Defence Forces.

2.4 Conceptual Framework

Figure 2.4.1: Conceptual Framework of the Study

Factors Affecting Perception on Logistics Outsourcing



Source: (Author 2012)

The researcher conceptualizes that the availability of logistics service providers in the market, the nature of logistics services required by the Kenya Defence Forces, the budgetary provisions for logistics services, the policies and regulations on outsourcing, the secretive nature of the military service and the challenges in logistics outsourcing are the main factors that would affect the perception of logistics outsourcing at the Kenya Defence Forces.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter contains the research design to be used and explains the reason of choosing the design. It also explains the types of data to be collected, sources of data to be relied on and the data collection instruments. Finally, the chapter shall discuss the data analysis technique.

3.2 Research Design

The research was conducted through a case study. This design was adopted because there was only one unit of study: Kenya Defence Forces (KDF). Yin (1984) defines the case study research method as an empirical inquiry that investigates a contemporary phenomenon within its real-life context; when the boundaries between phenomenon and context are not clearly evident; and in which multiple sources of evidence are used. The design was appropriate for carrying out a holistic, in depth and comprehensive investigation where much emphasis was placed on the full analysis of the factors inhibiting logistics outsourcing in the military with a focus on the Kenya Defence Forces.

3.3 Data Collection

This study sought to collect both primary and secondary data. The primary data was obtained through a questionnaire (Appendix I). There were 32 respondents who were selected from the middle level and senior officers at KDF. The selected respondents were those who were in positions of authority and possessed key strategic and operational experience on matters related to logistics outsourcing at Kenya Defence Force.

Secondary data was collected from the relevant documentations and official records like the Ministry of Defence Website and the Defence Staff College Logistics Basic Book. The data collection tools enabled a trade-off between cost, speed, accuracy, detail, comprehensiveness, response rate, clarity and anonymity which were useful for validity and reliability.

Table 3.4.1: Target Population and Sample Size

Population categories	Total Population	Sample size	Percentage of the Target Population
Top Level Officers	32	10	31%
Middle Level Officers	45	14	44%
Senior Officers	26	8	25%
Total	103	32	100%

3.4 Data Analysis

The raw data from the questionnaire was cleaned and checked for completeness by eliminating contradictory data from related questions. The exploratory factor analysis technique was used to explore the perceived factors and generate key factors that affected perception on logistics outsourcing at the Kenya Defence Forces. The Statistical Package for Social Sciences (SPSS) was used to generate descriptive statistics to quantify the relationship between the dependent variable and the independent variables.

CHAPTER FOUR

DATA ANALYSIS, FINDINGS AND DISCUSSION

4.1 Introduction

This chapter contains analysis of the findings from the study. The chapter analyses the data systematically by focusing on the study objective: To determine the factors affecting perception on logistics outsourcing at Kenya Defence Forces.

4.2 General Information

The respondents included various officers of the Kenya Defence Forces located at the Department of Defence in Nairobi Kenya. All the respondents returned fully filled questionnaires making a 100% response rate. The Statistical Package for Social Sciences (SPSS) was used to analyze the data and came up with the maximum score, minimum score, average score and the standard deviation from the mean scores for every question that was aimed at exploring the factors that affect perception on logistics outsourcing at Kenya Defence Forces.

4.2.1 Role of Respondents at Kenya Defence Forces

The respondents were responsible of various functions in the logistics outsourcing function within the Kenya Defence Forces. They ranged from the Assistant Colonel In charge of Personnel and Logistics to the Net Work Administrator.

Table 4.2.1 The Role of Respondents at Kenya Defence Forces.

Role of Respondent at Kenya Defence Forces	Number	Percentage (%)
Assistant Chief of Defence in charge of Personnel and Logistics	1	3
Chief of Logistics	1	3
Director of Army Logistics	1	3
Colonel in Charge of Supply and Maintenance	1	3
Colonel in Charge of Logistics Kenya Armed Forces	1	3
Colonel in Charge of Logistics Kenya Navy	1	3
Senior Provision Officer	1	3
Coordinator of Tendering Process	3	10
Staff Officer for Transport and Accommodation Services	3	10
Logistics Officer	6	20
Staff Officer in Charge of Stores and Vehicles	2	7
Staff Officer Audit Stores	5	16
Net Work Administrator	5	16
Total	30	100

Figure 4.2.1 Role of Respondents at Kenya Defence Forces.

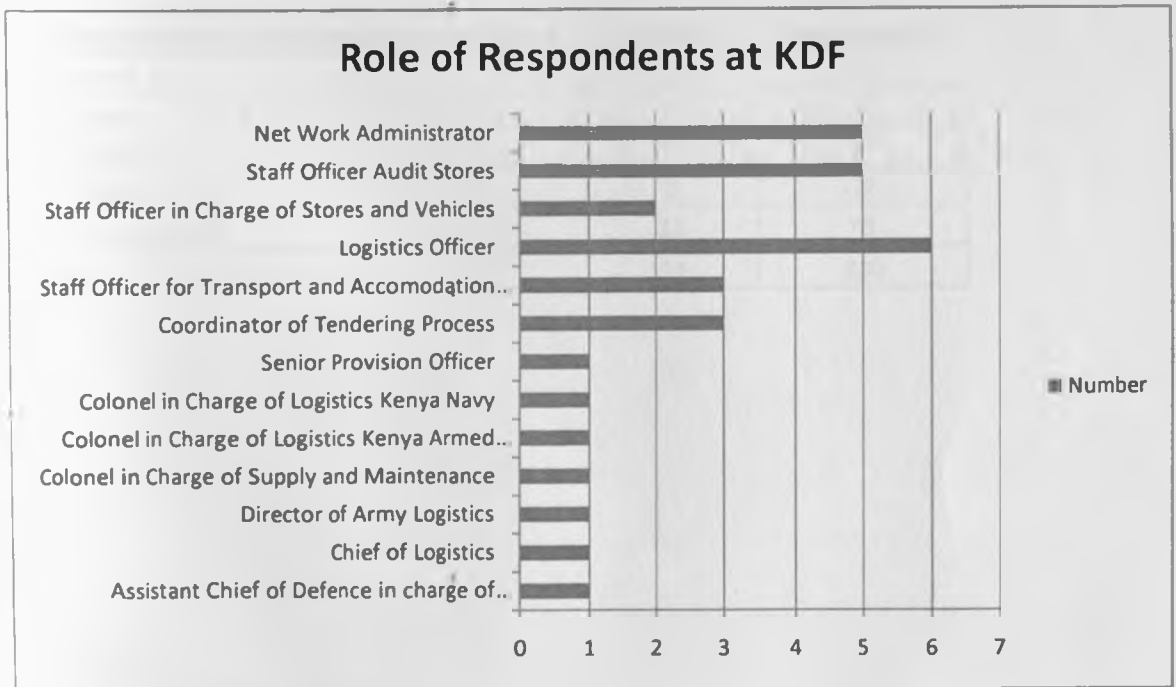


Table and figure 4.2.1 indicate that there were 13 categories of officers of Kenya Defence Forces who participated in the study. The logistics officers were the majority at 6 officers

while the net work administrators and staff officer Audit Stores were 5 each. All the other ranks were represented by only one officer. There were three Staff Officers in Charge of Transport and Accommodation and a similar number of Coordinators of tendering process. The other cadres starting from the Assistant Chief of Defence in Charge Personnel and Logistics, Chief of Logistics, Director of Army Logistics, Colonel in Charge of Supply and Maintenance, Colonel in Charge of Logistics at KAF and KN and the Senior Provision Officer were represented by a single respondent.

4.2.2 Working Experience of Respondents

The respondents had a working experience ranging from 5-10 years to over 20 years. None of the respondents had a working experience of less than 1 year.

Table 4.2.2 Working Experience of the Respondents

Working Experience with Kenya Defence Forces	Number	Percentage (%)
Less than 1 Yr	0	0
5-10 Years	1	3
10-15 Years	8	27
15-20 Years	8	27
20 Years and above	13	43
Total	30	100

Figure 4.2.2 Working Experience of the Respondents

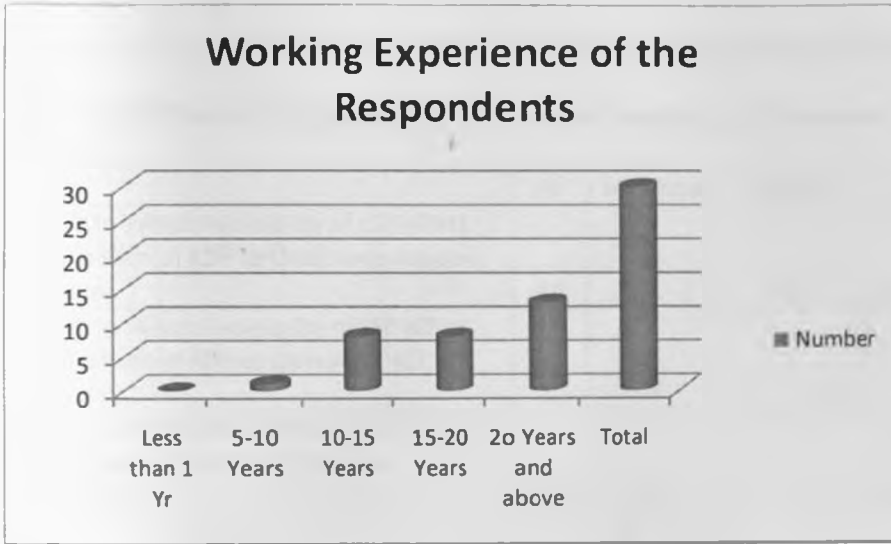


Table and figure 4.2.2 indicate that there was 1 respondent with a working experience of 5-10 years, 8 respondents with 10-15 years, 8 respondents with 15-20 years and 13 officers with over 20 years of working experience.

4.3 Descriptive Statistics on Factors Affecting Perception on Logistics Outsourcing At Kenya Defence Forces

The researcher sought to find the extent to which various factors affect the perception on logistics outsourcing at Kenya Defence Forces. The factors that were investigated included availability of logistics service providers, nature of logistics services, policy and regulations on logistics outsourcing, budgetary allocations for the logistics services, secrecy nature of the military service and challenges in logistics outsourcing. These factors were investigated in relation to their effect on the decision to outsource, the consistency of outsourcing, the security of KDF on outsourcing the services and the sustainability of the practice of outsourcing logistics services. The researcher also sought to ascertain the priority with which to address the factors affecting logistics outsourcing at KDF and the current position of KDF on introduction of outsourcing practice.

4.3.1 Effect of Availability of LSP on the Decision to Outsource Logistics Services

The researcher sought to find out the extent to which availability of Logistics Service Providers affects the decision to outsource logistics services at Kenya Defence Forces.

Table 4.3.1 Effect of Availability of LSP on the Decision to Outsource Logistics Services

	N	Minimum	Maximum	Mean	Std. Deviation
Extent to Which Availability of LSP affect the Decision of KDF to Outsource Support Services	30	1	5	2.916667	1.378954369
Extent to Which Availability of LSP affect the Decision of KDF to Outsource ICT Services	30	3	5	3.5	1.314257481
Extent to Which Availability of LSP affect the Decision of KDF to Outsource Ordinance	30	1	5	2.916667	1.378954369

From table 4.3.1 it indicates that the availability of logistics service providers was perceived to have a low (2.92) effect on the decision to outsource support services and ordinance at KDF but was perceived to have an average effect (3.5) on the decision to outsource ICT services. Therefore, the findings indicated that the availability of logistics service providers had an average effect on the perception of logistics outsourcing at KDF. The standard deviation of the individual scores from the mean score was 1.38 for support services and ordinance. The standard deviation for ICT services was 1.31. Therefore the respondents had various views on the effects of availability of LSP on the decision to outsource logistics services but notably held that availability of LSP had an average effect on the decision to outsource ICT services at KDF.

4.3.2 Effect of Nature of Logistics Services on the Decision to Outsource Logistics Services

The researcher sought to find out the extent to which nature of logistics services affects the decision to outsource logistics services at Kenya Defence Forces.

Table 4.3.2 Effect of Nature of Logistics Services on the Decision to Outsource Logistics

Services

	N	Minimum	Maximum	Mean	Std. Deviation
Extent to Which Nature of Logistics Services affect the Decision of KDF to Outsource Support Services	30	1	5	3.5	1.314257481
Extent to Which Nature of Logistics Services affect the Decision of KDF to Outsource ICT Services	30	2	5	3.5	1.314257481
Extent to Which Nature of Logistics Services affect the Decision of KDF to Outsource Ordinance	30	1	5	3.5	1.314257481

From table 4.3.2 it indicates that the nature of logistics services was perceived to have an average (3.5) effect on the decision to outsource support services, ICT services and ordinance at KDF. The standard deviation of the individual scores to the mean scores was 1.31 for support services, ICT and ordinance. Therefore, the findings indicated that the respondents held varied views on the subject but generally held that the nature of logistics services had an average effect on the decision to outsource support services, ICT and ordinance at KDF.

4.3.3 Effect of Policy and Regulations on the Decision to Outsource Logistics Services

The researcher sought to find out the extent to which policy and regulations affects the decision to outsource logistics services at Kenya Defence Forces.

Table 4.3.3 Effect of Policy and Regulations on the Decision to Outsource Logistics Services

Services

	N	Minimum	Maximum	Mean	Std. Deviation
Extent to Which Policy and Regulations affect the Decision of KDF to Outsource Support Services	30	2	5	3.5	1.314257481
Extent to Which Policy and Regulations affect the Decision of KDF to Outsource ICT Services	30	3	5	4.083333	0.900336637
Extent to Which Policy and Regulations affect the Decision of KDF to Outsource Ordinance	30	1	5	4	1.279204298

From table 4.3.3 it indicates that policy and regulations were perceived to have an average (3.5) effect on the decision to outsource support services, a high (4.1) effect on the decision to outsource ICT service and a high (4.0) effect on the decision to outsource ordinance at KDF. The standard deviation was 1.31, 0.90 and 1.27 for support services, ICT and ordinance respectively. Therefore, the respondents held various views but notably indicated that the availability of logistics service providers had a high effect on the decision to outsource ICT services at KDF.

4.3.4 Effect of Budgetary Allocations on the Decision to Outsource Logistics Services

The researcher sought to find out the extent to which budgetary allocations affects the decision to outsource logistics services at Kenya Defence Forces.

Table 4.3.4 Effect of Budgetary Allocations on the Decision to Outsource Logistics

Services

	N	Minimum	Maximum	Mean	Std. Deviation
Extent to Which Budgetary Allocations affect the Decision of KDF to Outsource Support Services	30	1	5	2.916667	1.378954369
Extent to Which Budgetary Allocations affect the Decision of KDF to Outsource ICT Services	30	3	5	4.25	0.866025404
Extent to Which Budgetary Allocations affect the Decision of KDF to Outsource Ordinance	30	1	5	2.916667	1.378954369

From table 4.3.4 it indicates that budgetary allocations was perceived to have a low (2.92) effect on the decision to outsource support services and ordinance at KDF but was perceived to have an high effect (4.25) on the decision to outsource ICT services. The standard deviation was 1.37, 0.86 and 1.37 for support services, ICT and ordinance respectively. Therefore, the respondents held various views on the subject but notably observed that budgetary allocations had a high effect on the decision to outsource ICT services at KDF.

4.3.5 Effect of Secretive Nature of Military Service on the Decision to Outsource

Logistics Services

The researcher sought to find out the extent to which secrecy nature of the military service affects the decision to outsource logistics services at Kenya Defence Forces.

Table 4.3.5 Effect of Secretive Nature of Military Service on the Decision to Outsource

Logistics Services

	N	Minimum	Maximum	Mean	Std. Deviation
Extent to Which Secrecy in the Military affect the Decision of KDF to Outsource Support Services	30	1	5	3.5	1.314257481
Extent to Which Secrecy in the Military affect the Decision of KDF to Outsource ICT Services	30	1	5	3.5	1.314257481
Extent to Which Secrecy in the Military affect the Decision of KDF to Outsource Ordinance	30	1	5	2.916667	1.378954369

From table 4.3.5 it indicates that the secrecy nature of military service was perceived to have an average effect (3.5) on the decision to outsource support services and ICT but was perceived to have a low effect (2.92) on the decision to outsource ordinance. The standard deviations were 1.31, 1.31 and 1.37 for support services, ICT services and ordinance respectively. Therefore, the respondents had various views on the subject but mostly held the view that the secrecy nature of military service had an average effect on the decision to outsource support services and ICT at KDF.

4.3.6 Effect of Challenges in Logistics Outsourcing on the Decision to Outsource

Logistics Services

The researcher sought to find out the extent to which challenges in logistics outsourcing affects the decision to outsource logistics services at Kenya Defence Forces.

Table 4.3.6 Effect of Challenges in Logistics Outsourcing on the Decision to Outsource**Logistics Services**

Extent to Which Challenges in Logistics Outsourcing affect the Decision of KDF to Outsource Support Services	30	2	5	3.666667	1.154700538
Extent to Which Challenges in Logistics Outsourcing affect the Decision of KDF to Outsource Support Services	30	1	5	3.5	1.314257481
Extent to Which Challenges in Logistics Outsourcing affect the Decision of KDF to Outsource Support Services	30	1	5	3.5	1.314257481

From table 4.3.6, the challenges in logistics outsourcing was perceived to have an average effect on the decision to outsource logistics services at KDF. The scores ranged from 3.67, 3.5 and 3.5 for support services, ICT and ordinance respectively. The standard deviations were 1.15, 1.31 and 1.31 respectively. Therefore, the respondents held varied views on the subject but notably observed that the challenges of logistics outsourcing affected the decision to outsource support services at KDF.

4.3.7 Effect of Availability of LSP on the Decision to Consistency in outsourcing**Logistics Services**

The researcher sought to find out the extent to which availability of Logistics Service Providers affects the consistency in outsourcing logistics services at Kenya Defence Forces.

Table 4.3.7 Effect of Availability of LSP on Consistency in Outsourcing Logistics**Services**

	N	Minimum	Maximum	Mean	Std. Deviation
Extent to Which Availability of LSP affect the Consistency of KDF to Outsource Support Services	30	1	5	3.25	1.356801051
Extent to Which Availability of LSP affect the Consistency of KDF to Outsource ICT Services	30	1	5	3.5	1.167748416
Extent to Which Availability of LSP affect the Consistency of KDF to Outsource Ordinance	30	1	5	3.416667	1.240112409

From table 4.3.7 it indicates that the availability of logistics service providers was perceived to have an average effect of 3.25, 3.50 and 3.41 on the consistency in outsourcing support services, ICT and ordinance respectively. The standard deviation of the respondent's scores from the mean scores was 1.35, 1.17 and 1.24 for support services, ICT and ordinance respectively. Therefore, the findings indicated that the availability of logistics service providers had an average effect on the consistency in outsourcing of logistics at KDF.

4.3.8 Effect of Nature of Logistics Services on Consistency in Outsourcing Logistics Services

The researcher sought to find out the extent to which nature of logistics services affects the consistency in outsourcing of logistics services at Kenya Defence Forces.

Table 4.3.8 Effect of the Nature of Logistics Services on the Consistency in Outsourcing Logistics Services

	N	Minimum	Maximum	Mean	Std. Deviation
Extent to Which Nature of Logistics Services affect the Consistency of KDF to Outsource Support Services	30	2	5	4.166667	1.029857301
Extent to Which Nature of Logistics Services affect the Consistency of KDF to Outsource ICT Services	30	1	5	3.583333	1.240112409
Extent to Which Nature of Logistics Services affect the Consistency of KDF to Outsource Ordinance	30	2	5	3.666667	0.984731928

From table 4.3.8 it indicates that the nature of logistics services was perceived to have a high effect (4.17) on the consistency in outsourcing of support services, and average effects (3.58 and 3.67) in outsourcing ICT and ordinance respectively. The standard deviation from the mean scores was 1.02, 1.24 and 0.98 respectively. Therefore, the respondents held considerably uniform views on the subject but generally held that the nature of logistics services had a high effect on the consistency of outsourcing support services

4.3.9 Effect of Policy and Regulations on the Consistency in outsourcing Logistics

Services

The researcher sought to find out the extent to which policy and regulations affects the consistency in outsourcing logistics services at Kenya Defence Forces.

Table 4.3.9 Effect of Policy and Regulations on the Consistency in Outsourcing Logistics

Services

	N	Minimum	Maximum	Mean	Std. Deviation
Extent to Which Policy and Regulations affect the Consistency of KDF to Outsource Support Services	30	1	5	3.916667	1.164500153
Extent to Which Policy and Regulations affect the Consistency of KDF to Outsource ICT Services	30	2	5	3.916667	1.164500153
Extent to Which Policy and Regulations affect the Consistency of KDF to Outsource Ordinance	30	1	5	3.416667	1.443375673

From table 4.3.9 it indicates that the policy and regulations on logistics services at KDF was perceived to have an average effect of 3.92, 3.92 and 3.42 on the consistency in outsourcing support services, ICT services and ordinance respectively. The standard deviations from the mean score were 1.16, 1.16 and 1.44 for support services, ICT services and ordinance respectively. Therefore, the findings indicated that the policy and regulations had an average effect on the consistency of outsourcing logistics services at KDF.

4.3.10 Effect of Budgetary Allocations on the Consistency in Outsourcing of Logistics

Services

The researcher sought to find out the extent to which budgetary allocations affects the consistency in outsourcing logistics services at Kenya Defence Forces.

Table 4.3.10 Effect of Budgetary Allocations on the Consistency in Outsourcing

Logistics Services

	N	Minimum	Maximum	Mean	Std. Deviation
Extent to Which Budgetary Allocations affect the Consistency of KDF to Outsource Support Services	30	1	5	3.416667	1.240112409
Extent to Which Budgetary Allocations affect the Consistency of KDF to Outsource ICT Services	30	2	5	3.666667	0.984731928
Extent to Which Budgetary Allocations affect the Consistency of KDF to Outsource Ordinance	30	2	5	4.166667	1.029857301

From table 4.3.10 it indicates that the budgetary allocation was perceived to have an average effect of 3.42 and 3.67 in the consistency of outsourcing support services and ICT services respectively. It also had a high effect (4.17) in the consistency of outsourcing ordinance. The standard deviations from the mean score were 1.24, 0.98 and 1.03 for support services, ICT and ordinance respectively. Therefore, the findings indicated that budgetary allocations had a notable high effect on the consistency of outsourcing ordinance at KDF.

4.3.11 Effect of Secrecy of the Military on the Consistency in outsourcing Logistics Services

The researcher sought to find out the extent to which secrecy of the military service affects consistency in outsourcing logistics services at Kenya Defence Forces.

Table 4.3.11 Effect of Secrecy of the Military on the Consistency in outsourcing

Logistics Services

	N	Minimum	Maximum	Mean	Std. Deviation
Extent to Which Secrecy in the Military affect the Consistency of KDF to Outsource Support Services	30	1	5	3.916667	1.164500153
Extent to Which Secrecy in the Military affect the Consistency of KDF to Outsource ICT Services	30	2	5	3.916667	1.164500153
Extent to Which Secrecy in the Military affect the Consistency of KDF to Outsource Ordinance	30	2	5	4.166667	1.114640858

From table 4.3.11 it indicates that the secrecy of the military service was perceived to have an average effect of 3.92 for the consistency in outsourcing support services and ICT services at KDF. It also had a high effect (4.17) in the consistency of outsourcing ordinance at KDF. The standard deviations were 1.16 for support services and ICT and 1.11 for ordinance. Therefore, the findings indicated that the secrecy of the military greatly affected the consistency of outsourcing ordinance at the KDF.

4.3.12 Effect of Challenges in Logistics Outsourcing on the Consistency in Logistics

Services

The researcher sought to find out the extent to which challenges in logistics outsourcing affects the consistency in logistics services at Kenya Defence Forces.

Table 4.3.12 Effect of Challenges in Logistics Outsourcing on the Consistency in Logistics Services

	N	Minimum	Maximum	Mean	Std. Deviation
Extent to Which Challenges in Logistics Outsourcing affect the Consistency of KDF to Outsource Support Services	30	1	5	4	1.279204298
Extent to Which Challenges in Logistics Outsourcing affect the Consistency of KDF to Outsource ICT Services	30	2	5	3.75	1.138180366
Extent to Which Challenges in Logistics Outsourcing affect the Consistency of KDF to Outsource Ordinance	30	2	5	3.833333	0.937436867

From table 4.3.12 it shows that the challenges in logistics outsourcing had a high effect (4) on the consistency in outsourcing support services. It also had an average effect (3.75) on the consistency of outsourcing ICT services and an average effect of (3.83) on the consistency of outsourcing ordinance. The standard deviations from the mean score were 1.28, 1.14 and 0.94 for support services, ICT services and ordinance respectively. Therefore, challenges in logistics outsourcing decision to outsource support services and ordinance at KDF but was perceived to have an average effect (3.5) on the decision to outsource ICT services. Therefore, the findings indicated that the challenges in logistics outsourcing had more than average effect on the consistency in logistics outsourcing at KDF. Notably, the challenges in logistics outsourcing had a high effect on the consistency of outsourcing support services at KDF.

4.3.13 Effect of Availability of LSP on the Security of the military service upon outsourcing logistics

The researcher sought to find out the extent to which availability of Logistics Service Providers affects the security of Kenya Defence Forces upon outsourcing logistics.

Table 4.3.13 Effect of Availability of LSP on the Security of the military service upon outsourcing logistics

	N	Minimum	Maximum	Mean	Std. Deviation
Extent to Which Availability of LSP affect the Security of KDF on Outsourcing Support Services	30	2	5	3.666667	0.984731928
Extent to Which Availability of LSP affect the Security of KDF on Outsourcing ICT Services	30	2	5	3.75	1.138180366
Extent to Which Availability of LSP affect the Security of KDF on Outsourcing Ordinance	30	2	5	4.166667	1.114640858

From table 4.3.13 it indicates that the availability of logistics service providers was perceived to have an average effect of 3.67 and 3.75 on the security of KDF upon outsourcing support services and ICT services respectively. It also had a high effect (4.17) on the security of KDF upon outsourcing ordinance. The standard deviations from the mean scores were 0.98, 1.14 and 1.11 for support services, ICT services and ordinance respectively. Therefore, the findings signified that the security of KDF would be most affected upon outsourcing ordinance.

4.3.14 Effect of Nature of Logistics Services on the Security of the military service upon outsourcing logistics

The researcher sought to find out the effect of the nature of logistics services on security at the Kenya Defence Forces upon outsourcing logistics.

Table 4.3.14 Effect of Nature of Logistics Services on the Security of the military service upon outsourcing logistics

	N	Minimum	Maximum	Mean	Std. Deviation
Extent to Which Nature of Logistics Services affect the Security of KDF upon Outsourcing Support Services	30	2	5	3.75	1.138180366
Extent to Which Nature of Logistics Services affect the Security of KDF upon Outsourcing ICT Services	30	2	5	3.8333333	0.937436867
Extent to Which Nature of Logistics Services affect the Security of KDF upon Outsourcing Ordinance	30	2	5	3.5833333	0.900336637

From table 4.3.14 it indicates that the nature of logistics services was perceived to have an average effect of 3.75, 3.83 and 3.58 on the security of KDF upon outsourcing support services, ICT services and ordinance respectively. The standard deviation from the mean score was 1.14, 0.94 and 0.90 for support services, ICT services and ordinance respectively. Therefore, the findings indicated that the nature of ICT services was perceived to pose the greatest threat to the security of KDF-in case they were to be outsourced.

4.3.15 Effect of Policy and Regulations on the Security of the military service upon outsourcing logistics

The researcher sought to find out the effect of the policy and regulations on the security of the Kenya Defence Forces upon outsourcing logistics.

Table 4.3.15 Effect of Policy and Regulations on the Security of the military service upon outsourcing logistics

	N	Minimum	Maximum	Mean	Std. Deviation
Extent to Which Policy and Regulations affect the Security of KDF upon Outsourcing of Support Services	30	2	5	3.666667	0.984731928
Extent to Which Policy and Regulations affect the Security of KDF upon Outsourcing ICT Services	30	2	5	4.166667	1.029857301
Extent to Which Policy and Regulations affect the Security of KDF upon Outsourcing Ordinance	30	1	5	3.583333	1.240112409

From table 4.3.15 it indicates that policy and regulations were perceived to have an average effect of 3.67 and 3.58 on the security of KDF upon outsourcing support services and ordinance respectively. The policy and regulations also had a high effect (4.17) on the security of KDF upon outsourcing ICT services. The standard deviation from the mean score was 0.98, 1.03 and 1.24 for support services, ICT services and ordinance respectively. Therefore, the findings indicated that the security of KDF would be most affected by policy and regulations upon outsourcing of ICT services.

4.3.16 Effect of Budgetary Allocations on the Security of the military service upon outsourcing logistics

The researcher sought to find out the extent to which budgetary allocations affects the security of KDF upon outsourcing of logistics services.

Table 4.3.16 Effect of Budgetary Allocations on the Security of the military service upon outsourcing logistics

	N	Minimum	Maximum	Mean	Std. Deviation
Extent to Which Budgetary Allocations affect the Security of KDF upon Outsourcing Support Services	30	1	5	3.333333	1.302677895
Extent to Which Budgetary Allocations affect the Security of KDF upon Outsourcing ICT Services	30	2	5	3.583333	0.900336637
Extent to Which Budgetary Allocations affect the Security of KDF upon Outsourcing Ordinance	30	1	5	3.25	1.215431087

From table 4.3.16 it indicates that the budgetary allocations were perceived to have an average effect of 3.33, 3.58 and 3.25 upon outsourcing of support services, ICT services and ordinance respectively. The standard deviations from the mean score were 1.30, 0.90 and 1.21 for support services, ICT services and ordinance respectively. Therefore, the findings indicated that budgetary allocations had an average on the security of KDF upon outsourcing of logistics services.

4.3.17 Effect of Secrecy of Military service on the security of the military service upon outsourcing logistics

The researcher sought to find out the extent to which the secret nature of the military service affects the security at Kenya Defence Forces upon outsourcing logistics.

Table 4.3.17 Effect of Secrecy of Military service on the security of the military service upon outsourcing logistics

	N	Minimum	Maximum	Mean	Std. Deviation
Extent to Which Secrecy in the Military affect the Security of KDF to Outsource Support Services	30	2	5	4.083333	0.99620492
Extent to Which Secrecy in the Military affect the Security of KDF to Outsource ICT Services	30	3	5	4.25	0.866025404
Extent to Which Secrecy in the Military affect the Security of KDF to Outsource Ordinance	30	1	5	3.333333	1.302677895

From table 4.3.17 it indicates that the secrecy of the military service was perceived to have a high effect of 4.08 and 4.25 on the security of KDF upon outsourcing support services and ICT services respectively. It also had an average effect (3.33) on the security of KDF upon outsourcing ordinance. The standard deviations from the mean score were 0.99, 0.87 and 1.30 for support services, ICT services and ordinance respectively. Therefore, the findings indicated that the secretive nature of the military service had the highest effect on the security of KDF upon outsourcing of ICT services.

4.3.18 Effect of Challenges in Logistics Outsourcing on the security of the military service

The researcher sought to find out the extent to which the challenges in logistics outsourcing affect the security at Kenya Defence Forces upon outsourcing logistics.

Table 4.3.18 Effect of Challenges in Logistics Outsourcing on the security of the military service

	N	Minimum	Maximum	Mean	Std. Deviation
Extent to Which Challenges in Logistics Outsourcing affect the Security of KDF upon Outsourcing Support Services	30	1	5	4	1.279204298
Extent to Which Challenges in Logistics Outsourcing affect the Security of KDF upon Outsourcing ICT Services	30	2	5	3.75	1.138180366
Extent to Which Challenges in Logistics Outsourcing affect the Security of KDF to Outsourcing Ordinance	30	2	5	3.833333	0.937436867

From table 4.3.18 it indicates that the challenges in logistics outsourcing were perceived to have an average effect of 3.75 and 3.83 on the security of KDF upon outsourcing ICT services and ordinance. They also had a high effect (4.0) on the security of KDF upon outsourcing support services. The standard deviations from the mean score were 1.28, 1.13 and 0.93 for support services, ICT services and ordinance respectively. Therefore, the findings indicated that the challenges in logistics outsourcing had a significant effect on the security of KDF upon outsourcing support services.

4.3.19 Effect of Availability of LSP on the Sustainability of Outsourcing Logistics Services

The researcher sought to find out the extent to which availability of Logistics Service Providers affects the sustainability of outsourcing logistics services at Kenya Defence Forces.

Table 4.3.19 Effect of Availability of LSP on the Sustainability of Outsourcing Logistics**Services**

	N	Minimum	Maximum	Mean	Std. Deviation
Extent to Which Availability of LSP affect the Sustainability of KDF to Outsource Support Services	30	2	5	4.083333	0.99620492
Extent to Which Availability of LSP affect the Sustainability of KDF to Outsource ICT Services	30	3	5	4.25	0.866025404
Extent to Which Availability of LSP affect the Sustainability of KDF to Outsource Ordinance	30	1	5	3.333333	1.302677895

From table 4.3.19 it indicates that the availability of logistics service providers was perceived to have a high effect of 4.08 and 4.25 on the sustainability of outsourcing support services and ICT services respectively. It also had an average effect (3.33) on the sustainability of outsourcing ordinance at KDF. The standard deviation from the mean score was 0.10, 0.87 and 1.30 for support services, ICT services and ordinance respectively. Therefore, the findings indicated that the availability of logistics service providers had a significant effect on the sustainability of outsourcing ICT services at KDF.

4.3.20 Effect of Nature of Logistics Services on the Sustainability of Outsourcing**Logistics Services**

The researcher sought to find out the extent to which the nature of logistics services affects the sustainability of outsourcing logistics services at Kenya Defence Forces.

Table 4.3.20 Effect of Nature of Logistics Services on the Sustainability of Outsourcing

Logistics Services

	N	Minimum	Maximum	Mean	Std. Deviation
Extent to Which Nature of Logistics Services affect the Sustainability of KDF to Outsource Support Services	30	1	5	3.25	1.215431087
Extent to Which Nature of Logistics Services affect the Sustainability of KDF to Outsource ICT Services	30	1	5	3.333333	1.302677895
Extent to Which Nature of Logistics Services affect the Sustainability of KDF to Outsource Ordinance	30	1	5	3.75	1.138180366

From table 4.3.20 it indicates that the nature of logistics services was perceived to have an average effect of 3.25, 3.33 and 3.75 on the sustainability of outsourcing support services at KDF. The standard deviation from the mean score was 1.22, 1.30 and 1.14 for support services, ICT services and ordinance respectively. Therefore, the findings indicated that the nature of logistics services had an average effect on the sustainability of outsourcing ICT services at KDF.

4.3.21 Effect of Policy and Regulations on the Sustainability of Outsourcing Logistics Services

The researcher sought to find out the extent to which policy and regulations affects the sustainability of outsourcing logistics services at Kenya Defence Forces.

Table 4.3.21 Effect of Policy and Regulations on the Sustainability of Outsourcing

Logistics Services

	N	Minimum	Maximum	Mean	Std. Deviation
Extent to Which Policy and Regulations affect the Sustainability of KDF to Outsource Support Services	30	1	5	3.5	1.314257481
Extent to Which Policy and Regulations affect the Sustainability of KDF to Outsource ICT Services	30	3	5	4.5	0.797724035
Extent to Which Policy and Regulations affect the Sustainability of KDF to Outsource Ordinance	30	1	5	3.5	1.314257481

From table 4.3.21 it indicates that policy and regulations were perceived to have an average effect of 3.5 the sustainability of outsourcing support services and ordinance. It also had a high effect (4.5) on the sustainability of outsourcing ICT services. The standard deviation from the mean score was 1.31, 0.80 and 1.31 for support services, ICT services and ordinance respectively. Therefore, the findings indicated that the policy and regulations had a significant effect on the sustainability of outsourcing ICT services at KDF.

4.3.22 Effect of Budgetary Allocations on the Sustainability of Outsourcing Logistics Services

The researcher sought to find out the extent to which budgetary allocations affects the sustainability of outsourcing logistics services at Kenya Defence Forces.

Table 4.3.22 Effect of Budgetary Allocations on the Sustainability of Outsourcing

Logistics Services

	N	Minimum	Maximum	Mean	Std. Deviation
Extent to Which Budgetary Allocations affect the Sustainability of KDF to Outsource Support Services	30	3	5	4.666667	0.651338947
Extent to Which Budgetary Allocations affect the Sustainability of KDF to Outsource ICT Services	30	1	5	3.5	1.314257481
Extent to Which Budgetary Allocations affect the Sustainability of KDF to Outsource Ordinance	30	1	5	3.666667	1.23091491

From table 4.3.22 it indicates that budgetary allocations were perceived to have a high effect of 4.67 on the sustainability of outsourcing support services at KDF. It also had an average effect of 3.5 and 3.67 on the sustainability of outsourcing ICT service and ordinance respectively. The standard deviation from the mean score was 0.65, 1.31 and 1.23 for support services, ICT services and ordinance respectively. Therefore, the findings indicated that the budgetary allocations had a significant effect on the sustainability of outsourcing support services at KDF.

4.3.23 Effect of Secretive Nature of Military Service on the Sustainability of

Outsourcing Logistics Services

The researcher sought to find out the extent to which availability of Logistics Service Providers affects the sustainability of outsourcing logistics services at Kenya Defence Forces.

Table 4.3.23 Effect of the secretive Nature of Military Service on the Sustainability of Outsourcing Logistics Services

	N	Minimum	Maximum	Mean	Std. Deviation
Extent to Which Secrecy in the Military affect the Sustainability of KDF to Outsource Support Services	30	1	5	3.333333	1.302677895
Extent to Which Secrecy in the Military affect the Sustainability of KDF to Outsource ICT Services	30	2	5	3.583333	0.900336637
Extent to Which Secrecy in the Military affect the Sustainability of KDF to Outsource Ordinance	30	1	5	3.25	1.215431087

From table 4.3.23 it indicates that the secretive nature of the military service was perceived to have an average effect of 3.33, 3.58 and 3.25 on the sustainability of outsourcing support services, ICT services and ordinance respectively. The standard deviation from the mean score was 1.30, 0.90 and 1.22 for support services, ICT services and ordinance respectively. Therefore, the findings indicated that the secretive nature of military service had an average effect on the sustainability of outsourcing logistics services at KDF.

4.3.24 Effect of Challenges in Logistics Outsourcing on the Sustainability of Outsourcing Logistics Services

The researcher sought to find out the extent to which challenges in logistics services affects the sustainability of outsourcing logistics services at Kenya Defence Forces.

Table 4.3.24 Effect of challenges in logistics outsourcing on the Sustainability of

Outsourcing Logistics Services

	N	Minimum	Maximum	Mean	Std. Deviation
Extent to Which Challenges in Logistics Outsourcing affect the Sustainability of KDF to Outsource Support Services	30	1	5	3.5	1.314257481
Extent to Which Challenges in Logistics Outsourcing affect the Sustainability of KDF to Outsource ICT Services	30	1	5	3.5	1.314257481
Extent to Which Challenges in Logistics Outsourcing affect the Sustainability of KDF to Outsource Ordinance	30	2	5	3.666667	1.154700538

From table 4.3.24 it indicates that challenges in logistics outsourcing was perceived to have an average effect of 3.5 on the sustainability of outsourcing support services and ICT services. It also had an average effect of 3.67 on the sustainability of outsourcing ordinance at the KDF. The standard deviation from the mean score was 1.31, 1.31 and 1.15 for support services, ICT services and ordinance respectively. Therefore, the findings indicated that the challenges in logistics outsourcing had a more significant effect on the sustainability of outsourcing ordinance at KDF.

4.4 Priority with which to Address Factors Affecting Perception on Logistics Outsourcing at KDF

The researcher sought to find out the priority with which to address the factors affecting perception on logistics outsourcing at Kenya Defence Forces.

Table 4.4.1 Priority with which to address Factors affecting Perception on Logistics outsourcing at KDF

	N	Minimum	Maximum	Mean	Std. Deviation
Priority of Addressing Availability of Logistics Service Providers	30	1	5	3.833333	1.267304465
Priority of Addressing Nature of Logistics Services	30	3	5	3.916667	0.792961461
Priority of addressing policy and regulations on logistics services	30	3	5	4.666667	0.651338947
Priority of addressing budgetary allocations for logistics outsourcing	30	3	5	4.5	0.797724035
Priority to address secretive nature of military service	30	1	5	3.666667	1.23091491
Priority to address challenges in logistics outsourcing	30	3	5	3.75	0.621581561

From table 4.4.1 it indicates that respondents had a clear priority list of the factors affecting logistics outsourcing at Kenya Defence Forces. The factor that was perceived to require the highest priority was policy and regulations on logistics outsourcing at 4.67. It was followed closely by budgetary allocations for logistics outsourcing at 4.5. Third in the list was nature of logistics services at 3.91 followed by availability of logistics service providers at 3.83. The fifth on the priority list was challenges in logistics outsourcing at 3.75. The factor that was perceived to require the least priority was the secretive nature of the military service at 3.67. The standard deviations from the mean scores ranged between 0.62 and 1.27 implying that the views of the respondents were closely related with a high level of uniformity of views. In summary therefore, the most urgent factor would be policy and regulations on logistics outsourcing at KDF while the matter requiring the least attention is the secretive nature of the military service.

the respondents held the view that the KDF is highly oriented (4.67) towards the introduction of outsourcing of ordinance. Second in rankings is the need to introduce ICT outsourcing followed by the need to introduce support services at 3.83

4.5 Introduction of Logistics Outsourcing at KDF

The researcher sought to find out the current position of KDF in relation to the need to introduce logistics outsourcing practice.

Table 4.5.1 Introduction of Logistics Outsourcing at KDF

	N	Minimum	Maximum	Mean	Std. Deviation
Position of KDF regarding the need to Introduce Support Services outsourcing	30	1	5	3.833333	1.267304465
Position of KDF regarding the need to Introduce ICT outsourcing	30	3	5	3.916667	0.792961461
Position of KDF regarding the need to Introduce Ordinance outsourcing	30	3	5	4.666667	0.651338947

From table 4.5 it indicates that the respondents held the view that the KDF is highly oriented (4.67) towards the introduction of outsourcing of ordinance. Second in rankings is the need to introduce ICT outsourcing followed by the need to introduce support services at 3.83. The standard deviations were 1.26, 0.79 and 0.65 for support services, ICT services and ordinance respectively.

4.6 Discussion of Results

The following paragraphs discuss the findings of the study in relation to empirical studies and their linkage to the established theories in the field of Supply Chains Management.

4.6.1 Relationship to Empirical Studies

Several studies have been conducted to establish various factors that affect different aspects of logistics outsourcing in private and public companies. Githaiga (2011) conducted a study on the challenges facing the implementation of strategies within the Kenya Armed Forces and noted that the bureaucratic structure, secretive nature of the armed forces operations and lack

of a concerted leadership effort explain the slow and uncoordinated implementation of strategies at the Kenya Armed Forces. The findings of this study also established that the secretive nature of the military service had significant effect on the decision, sustainability, consistency and security of KDF in outsourcing support services, ICT and ordinance. Gathithu (2010) conducted an analysis of the adoption of information systems outsourcing at the Kenya Armed forces and found that the adoption rate is far too low compared to other military forces in the world like the United States of America. The findings of this study also established that ICT services were not perceived as appropriate to outsource due to the potential risk and exposure it portends to the security of KDF. Yim-Yu et al. (2000) also studied the importance of strategic alliances and logistics outsourcing in the military practice and confirms the advantages of outsourcing logistics services including the attainment of a certain power that is not available within military's internal departments in the form of economies of scale, process expertise, access to capital and access to expensive technology and greater capacity for flexibility, especially in the purchase of rapidly developing new technologies, fashion goods, or the myriad components of complex systems. The findings of this study generally indicated that logistics outsourcing is highly envisioned and expected to be introduced at KDF. However, the need for a systematic and well calculated approach to logistics outsourcing was equally encouraged.

4.6.2 Linkage of the Findings to Theory

Authors such as Boyson et al. (1999) have indicated that the success of outsourcing agreements depends heavily on the management skills of the firms engaging the services of third-party logistics providers. The findings of this study also indicate that different logistics services need different types of approach due to their various effects on the decision, consistency, security and sustainability of the outsourcing practice. The authors also suggest that the strategic outsourcing of integrated functions across the supply chain will be more

effective than the gradual or piecemeal outsourcing of supply chain activities. The findings of this study also revealed that the introduction of logistics outsourcing would be more beneficial to KDF if it involved all the essential elements like support services, ICT and ordinance. Bradley (1997) holds that logistics outsourcing is often thought of as a make-or-buy decision, implying that it is largely based on cost efficiency, but increasing competitiveness and complexity make it a strategic option. The findings of this study also indicated that the decision to outsource logistics services more especially ICT services is more of a strategic decision than an operational decision. Bradley (1997) also observes that a company may pursue logistics outsourcing for one or more reasons: Its own lack of logistics expertise; the desire to focus on its own core competency; the difficulty in maintaining communication and information technology that is up to date; the desire to improve system capabilities along the global supply chain; and the desire to build flexibility within available resources. The findings of this study also confirmed that KDF is gradually embracing the logistics outsourcing of services in order to improve its capabilities, build flexibility within available resources and create time to focus on its own core competency.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter provides the summary of the findings from chapter four and also gives the conclusions and recommendations of the study based on the objective of the study which involved the determination of the factors affecting perception on logistics outsourcing at the Kenya Defence Forces.

5.2 Summary of the findings

The respondents had various views on the effects of availability of LSP on the decision to outsource logistics. Notably they observed that availability of LSP had an average effect on the decision to outsource ICT services at KDF. The respondents also held that the nature of logistics services had an average effect on the decision to outsource support services, ICT and ordinance at KDF. The respondents also held that budgetary allocations had a high effect on the decision to outsource ICT services at KDF. The respondents observed that the challenges of logistics outsourcing had a high effect on the decision to outsource support services at KDF.

The respondents held that the nature of logistics services had a high effect on the consistency of outsourcing support services and also indicated that budgetary allocations had an equally high effect on the consistency of outsourcing ordinance. The findings also indicated that the secrecy of the military greatly affected the consistency of outsourcing ordinance at the KDF while the secrecy of the military also greatly affected the consistency of outsourcing ordinance. Notably, the challenges in logistics outsourcing had a high effect on the

consistency of outsourcing support services at KDF while the security of KDF would be most affected upon outsourcing ordinance. The nature of ICT services was perceived to pose the greatest threat to the security of KDF in case they were to be outsourced and that that the security of KDF would be most affected by policy and regulations upon outsourcing of ICT services.

The findings indicated that budgetary allocations had an average effect on the security of KDF upon outsourcing of logistics services while the secretive nature of the military service had the highest effect on the security of KDF upon outsourcing of ICT services. The findings also indicated that the challenges in logistics outsourcing had a significant effect on the security of KDF upon outsourcing support services while they indicated that the availability of logistics service providers had a significant effect on the sustainability of outsourcing ICT services at KDF. The findings also indicated that the nature of logistics services had an average effect on the sustainability of outsourcing ICT services at KDF and that the policy and regulations had a significant effect on the sustainability of outsourcing ICT services at KDF. The findings indicated that the budgetary allocations had a significant effect on the sustainability of outsourcing support services at KDF and also indicated that the secretive nature of military service had an average effect on the sustainability of outsourcing logistics services at KDF while the challenges in logistics outsourcing had a more significant effect on the sustainability of outsourcing ordinance at KDF.

The findings indicated that the most urgent factor to address would be policy and regulations on logistics outsourcing while the matter requiring the least attention would be the secretive nature of the military service.

5.3 Conclusions

Based on the summary of findings, the researcher concluded that the most significant factors that affected the perception on the decision to outsource logistics services were availability of logistics service providers, nature of logistics services, secretive nature of the military service and policy and regulations within the KDF.

The researcher also concluded that the main factors that affected the consistency of outsourcing logistics services at KDF were Availability of Logistics Service Providers, Nature of Logistics Services, and, budgetary allocations for logistics outsourcing.

The main factors that affected the sustainability of outsourcing logistics services at KDF included Availability of Logistics Service Providers, Nature of Logistics Services, policy and regulations on logistics services and challenges in logistics outsourcing.

The researcher also concluded that the main factors that affected the security of KDF upon outsourcing logistics services were the secretive nature of the military service and the policy and regulations within the military service.

Lastly, the researcher concluded that the most sensitive logistics service was ICT due to its vulnerability to all factors under consideration. On the other hand, support services and ordinance were considered the most appropriate logistics services that should be outsourced by KDF.

5.4 Recommendations for Policy and Practice

The researcher recommends that KDF should consider introducing the practice of outsourcing its logistics services more especially support services and ordinance in order to focus on its core mandate of maintaining territorial integrity of the boundaries of the nation.

There is also need to amend the policies and regulations that inhibit outsourcing of support services and ordinance while at the same time come up with tighter policies and regulations to guard the integrity and secrecy of any outsourced ICT services. This would be in a bid to ensure that the security of KDF is not compromised.

The Ministry of Defence should also increase the budgetary allocations to the military service in order to facilitate the financing of outsourcing processes for selected support services, ICT services and ordinance. The departments dealing with logistics outsourcing should also harmonize their efforts in order to create synergies and reduce duplication of efforts.

Lastly, the National Assembly of Kenya should come up with legislations that would enhance the financing and equipping of the KDF through training of the forces and facilitation to execute their core mandate and handle any challenges that might arise from the outsourced services.

5.5 Limitations of the study

The study, having adopted a case study design could not generalize the findings to other military services in the world. The study was further limited by the fact that the researcher only administered questionnaires to KDF officers working within the logistics function and therefore did not collect the views of other officers in other functions within the KDF.

Therefore only the perspective the logistics officers informed the findings of the study while the perspective of other officers was not factored.

5.6 Suggestions for Further Study

The researcher suggests that a study whose respondents include other officers within KDF be carried out to provide great insight in their perception of the factors affecting logistics outsourcing at KDF. Another area that would require attention is the establishment of a logistics outsourcing model that would ensure that the unique interests of the military in terms of guarding its secrecy and preventing exposure to the enemy are incorporated in every logistics outsourcing decision. The model will guide the KDF in balancing their investments and measuring the returns while at the same time ensuring that each outsourced service or product is a source of additional capability to overcome the enemy and guard the territorial integrity of the country.

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APPENDIX I: QUESTIONNAIRE

Instructions

Dear Sir/Madam,

You are kindly requested to answer all questions in this research study questionnaire. The information that you will provide shall be treated with a high level of confidentiality and strictly used for the purpose of this research study. This study aims at investigating factors inhibiting logistics outsourcing at the Kenya Defence Forces.

NB: Please do not write your name anywhere on this questionnaire.

PART A: RESPONDENTS' DETAILS

Please tick appropriately where applicable in the spaces provided

1) What is your current role at the Kenya Defence Forces?

- a. Assistant Chief of Defence In Charge of Personnel & Logistics ()
- b. Director of Army Logistics ()
- c. Colonel In Charge of Supply and Maintenance ()
- d. Colonel in Charge of Logistics KAF ()
- e. Colonel in Charge of Logistics KN ()
- f. Senior Provision Officer ()
- g. Others (Specify).....

2) How long have you worked with the Kenya Defence Forces?

- a. Less than 1yr ()
- b. 5-10 years ()
- c. 10-15 years ()
- d. 15-20 years ()
- e. 20 years and above ()

PART B: FACTORS AFFECTING PERCEPTION ON LOGISTICS OUTSOURCING

A. Describe the extent to which these factors affect the Decision of Kenya Defence Forces to outsource Logistics Support Services

5. Very High 4. High 3. Average 2. Low 1. Very Low

	Very High	High	Average	Low	Very Low
Availability of Logistics Service Providers					
Nature of Logistics Services					
Policy and Regulations on Logistics Services					
Budgetary Allocations for Logistics Services					
Secretive Nature of Military Service					
Challenges in Logistics Outsourcing					

B. Describe the extent to which these factors affect the decision of Kenya Defence Forces to outsource Communication and Information Systems and Services

5. Very High 4. High 3. Average 2. Low 1. Very Low

	Very High	High	Average	Low	Very Low
Availability of Logistics Service Providers					
Nature of Logistics Services					
Policy and Regulations on Logistics Services					
Budgetary Allocations for Logistics Services					
Secretive Nature of Military Service					
Challenges in Logistics Outsourcing					

C. Describe the extent to which these factors affect the decision of Kenya Defence Forces to outsource Ordnance

5. Very High 4. High 3. Average 2. Low 1. Very Low

	Very High	High	Average	Low	Very Low
Availability of Logistics Service Providers					
Nature of Logistics Services					
Policy and Regulations on Logistics Services					
Budgetary Allocations for Logistics Services					
Secretive Nature of Military Service					
Challenges in Logistics Outsourcing					

D. Describe the extent to which these factors affect the consistency of outsourcing Logistics Support Services at Kenya Defence Forces

5. Very High 4. High 3. Average 2. Low 1. Very Low

	Very High	High	Average	Low	Very Low
Availability of Logistics Service Providers					
Nature of Logistics Services					
Policy and Regulations on Logistics Services					
Budgetary Allocations for Logistics Services					
Secretive Nature of Military Service					
Challenges in Logistics Outsourcing					

E. Describe the extent to which these factors affect the consistency of outsourcing Communication and Information Systems and services at Kenya Defence Forces

5. Very High 4. High 3. Average 2. Low 1. Very Low

	Very High	High	Average	Low	Very Low
Availability of Logistics Service Providers					
Nature of Logistics Services					
Policy and Regulations on Logistics Services					
Budgetary Allocations for Logistics Services					
Secretive Nature of Military Service					
Challenges in Logistics Outsourcing					

F. Describe the extent to which these factors affect the consistency of outsourcing Ordinance at Kenya Defence Forces

5. Very High 4. High 3. Average 2. Low 1. Very Low

	Very High	High	Average	Low	Very Low
Availability of Logistics Service Providers					
Nature of Logistics Services					
Policy and Regulations on Logistics Services					
Budgetary Allocations for Logistics Services					
Secretive Nature of Military Service					
Challenges in Logistics Outsourcing					

G. Describe the extent to which these factors affect the security of Kenya Defence Forces in outsourcing Logistics Support Services

5. Very High 4. High 3. Average 2. Low 1. Very Low

	Very High	High	Average	Low	Very Low
Availability of Logistics Service Providers					
Nature of Logistics Services					
Policy and Regulations on Logistics Services					
Budgetary Allocations for Logistics Services					
Secretive Nature of Military Service					
Challenges in Logistics Outsourcing					

H. Describe the extent to which these factors affect the security of Kenya Defence Forces in outsourcing Communication and Information Systems and services

5. Very High 4. High 3. Average 2. Low 1. Very Low

	Very High	High	Average	Low	Very Low
Availability of Logistics Service Providers					
Nature of Logistics Services					
Policy and Regulations on Logistics Services					
Budgetary Allocations for Logistics Services					
Secretive Nature of Military Service					
Challenges in Logistics Outsourcing					

I. Describe the extent to which these factors affect the security of Kenya Defence Forces in outsourcing Ordnance

5. Very High 4. High 3. Average 2. Low 1. Very Low

	Very High	High	Average	Low	Very Low
Availability of Logistics Service Providers					
Nature of Logistics Services					
Policy and Regulations on Logistics Services					
Budgetary Allocations for Logistics Services					
Secretive Nature of Military Service					
Challenges in Logistics Outsourcing					

J. Describe the extent to which these factors affect the sustainability of outsourcing Logistics Support Services at Kenya Defence Forces

5. Very High 4. High 3. Average 2. Low 1. Very Low

	Very High	High	Average	Low	Very Low
Availability of Logistics Service Providers					
Nature of Logistics Services					
Policy and Regulations on Logistics Services					
Budgetary Allocations for Logistics Services					
Secretive Nature of Military Service					
Challenges in Logistics Outsourcing					

K. Describe the extent to which these factors affect the sustainability of outsourcing Communication and Information Systems and services at Kenya Defence Forces

5. Very High 4. High 3. Average 2. Low 1. Very Low

	Very High	High	Average	Low	Very Low
Availability of Logistics Service Providers					
Nature of Logistics Services					
Policy and Regulations on Logistics Services					
Budgetary Allocations for Logistics Services					
Secretive Nature of Military Service					
Challenges in Logistics Outsourcing					

L. Describe the extent to which these factors affect the sustainability of outsourcing Ordinance at Kenya Defence Forces

5. Very High 4. High 3. Average 2. Low 1. Very Low

	Very High	High	Average	Low	Very Low
Availability of Logistics Service Providers					
Nature of Logistics Services					
Policy and Regulations on Logistics Services					
Budgetary Allocations for Logistics Services					
Secretive Nature of Military Service					
Challenges in Logistics Outsourcing					

PART C: COMMENTARY

A. Describe the level of priority to be given to addressing each of these factors in order to guarantee effective logistics outsourcing at Kenya Defence Forces:

5. Very High 4. High 3. Average 2. Low 1. Very Low

	Very High	High	Average	Low	Very Low
Availability of Logistics Service Providers					
Nature of Logistics Services					
Policy and Regulations on Logistics Services					
Budgetary Allocations for Logistics Services					
Secretive Nature of Military Service					
Challenges in Logistics Outsourcing					

B. Rate the position taken by KDF regarding the need to introduce logistics outsourcing:

5. Strongly Agree 4. Agree 3. Neutral 2. Disagree 1. Strongly Disagree

	5	4	3	2	1
Logistics Support Services					
Information and Communication Systems and Services					
Ordinance					

Comment:.....

END.
THANKS FOR YOUR RESPONSE

