

**GLOBAL EFFECT OF MATERIALS MANAGEMENT ON NIGERIA BUSINESS
COMPETITIVE POSITION OF SELECTED INSTITUTIONS IN SOUTH EAST
NIGERIA**

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Abstract

Organizations today continue to devise new ways of coping with the harshness of business environment and the challenges of survival by improving on the ancient methods of production. This study examines the global effect of materials management on the Nigeria business competitive position of the selected institutions in South East Nigeria. The primary aim of the study was to ascertain the global effect of materials management on the Nigeria business competitive position of the selected institutions in South east Nigeria. Survey method was adopted in the study among 173 manufacturing firms in Nigeria. Data obtained using questionnaire and interview guide were presented in tables. Inferential statistic was used for the test of the study hypotheses. The result of the study shows that there is global positive effect of materials management on the business competitive position of the selected institutions in south east, Nigeria ($Z_{computed} > Z_{t; \alpha} = -2.59 < 1.645$). It was concluded that the positive global effect of materials management on the business competitive position has both international business and local business implication which included, purchasing, storage and warehousing, production and inventory control and physical distribution. It was recommended that strategic, manufacturing managers, materials managers or the institutions studied backed by policy should continue to ensure that materials management should have a positive global effect on the Nigerian competitive position on their organization to ensure that materials are properly handled.

Keywords: Materials Management, Business Competitive Position, Institutions in South East Nigeria

Introduction

Human Societies continue to devise new ways of coping with the harshness of living environment and the challenges of survival (Yoyotte, 1981, and Muktar, 1981). Some of these new ways in the opinion of Egwaikhidhe (1997) and Ukaegbu, (1991), include the improvement on the ancient methods of production; changing them from manual energy to mechanical power. Honu (1991), and Hermann (1996) consistently contend that such changes are processes of industrialization and are unavoidable as societies grow with increase in human challenges. But the process of industrialization itself involves continuous decisions to commit resources that are always in short supply; the utilization of which calls for optimum application, if human survival, improvement on living standard of individuals and societies, as well as competitive economic growth are to be attained. Galloway, (1996) and Kunze, (1996) in agreeing that resources must be optimally managed in the course of industrialization, emphasis that the process must start with the right decision to develop industries to meet definite outputs or capacities.

Changing the process technology alters the way one inputs is used in relation to the other and it may also change the outputs produced. The process technology in a manufacturing system is usually affected by means of machines and equipment along with the processing methodology. The body of knowledge concerned with the optimal combination of machinery, materials, and methods needed to achieve economical and trouble-free production is referred to as manufacturing engineering (or manufacturing technology when used loosely and interchangeably). It combines field experience and special engineering research with concepts of fundamental and applied sciences to solve basic and specific manufacturing problems. Manufacturing technology techniques are of immense importance to modern industries where such as blanks using basic manufacturing processes. In conjunction with engineering management techniques, it ensures the most efficient use of materials and labour. It curtails wastes production of a product or component. It also ensures the most effective method of handling and assembly of components to form specific products (Ibhadode, 2006)

The early 1980s marked a watershed period in the development of operations management aspect of materials management following the need for U.S. manufacturers to become more productive in order to meet the staff competition from Japan. This led operations management and materials management specialists to become heavily involved in the applications of new technologies of flexible manufacturing systems and computer-integrated manufacturing and new manufacturing technologies. The strategic initiatives in the 1990s have also been in the areas of just in time production and Total Quality Management. There has also been an emphasis in the area of production and material planning and control

Materials Management can therefore be described as a set of integrated functions whose focus is the effective coordination of activities relating to the planning, requisitioning, storage of input materials and work-in-process, their conversion into finished goods, and the keeping of the end products until they are delivered to the customers. Specifically, materials management is concerned with the flow of materials, spare parts, components and other

supplies into the manufacturing system, its storage, its requisition to the production lines, the warehousing of the finished goods as well as the logistics and physical distribution to the customers. According to the Institute of Purchasing and Supply (IPS), and the British Production and Inventory Control Society, materials management was described as a concept requiring an organized structure which unifies into one functional responsibility the systematic planning and control of all materials from identification of the need to delivery to the customers. In other words, it is a process that embraces planning purchasing, production and inventory control, storage, materials handling and physical distribution (Unyimadu, 2006).

There is a study carried out by Wanstrom and Jonsson (2006) titled: The impact of engineering changes on materials planning and control. Those authors on attempt to discuss manufacturing planning and control as one family factor as use by firms. They see manufactured planning & control as the system that is concerned with planning and controlling all aspects of manufacturing, including managing materials, scheduling machines and people, coordinating suppliers and key customers. The need for evolution in manufacturing planning and control systems of the manufacturing organizations implied the need for periodic auditing that compares system responses to the market places requirements. The audits address not only the system's folus but also the conemitant training of people that match with current objectives. (Wanstrom and Jonsson 2006). The principal objective of materials management is to ensure that the right item is bought and made available to the manufacturing operations at the right time, at the right place and at the lowest possible cost. In essence, the primary objectives to be achieved in materials management are the quality objective, timeliness and reliability objectives, and the least possible price objective (Unyimadu, 2006). Today, institutions in manufacturing and materials management are faced with the challenges of manufacturing planning and control, materials management, purchasing and production. This brought about the need for a study to examine the global effect of materials management on the Nigeria business competitive position of the selected institutions in south east Nigeria

Objective of the Study

The main thrust of the study is the global effect of materials management on the Nigeria business competitive position of the selected institutions in south east Nigeria. In this regard the specific objectives are:

To ascertain the global effect of materials management on the Nigeria business competitive position of the selected institutions in South east Nigeria

Research Questions

The study attempt to give answers to the following question:

What is the global effect of materials management on the business competitive position of the selected institutions in south east Nigeria?

Research Hypotheses

The six research hypotheses designed to guide the conduct of the study are:

Materials management has positive global effect on the business competitive position of selected institutions in south east Nigeria.

Research Methodology

Research Design

In this study, the researcher employed the survey method. The analysis shows the systematic collection and prescription of data to give a clear picture of a particular situation. It can be carried out on a small or large scale.

Sources of Data Collection

In the conduct of this research, necessary information was obtained through two sources namely: Primary data and Secondary data.

The primary data collection instrument is questionnaire and interview guide. The face to face oral interviews is to enable the researcher have a detailed interview with key personnel in the selected organizations. The questionnaire for this study is divided into three parts (A, B and C) sections. Section A is the letter of introduction of the researcher to the respondents. Section B is structured to collect demographic information on the respondents and C deal with issues related to the subject under investigation through the structured interview schedule.

Tools for Data Collection

Given the objectives and the nature of this study, the researcher adopted two different methods of primary data collection as earlier said in sub-head 3.3, namely: questionnaire administration and interview.

Population of the Study

The population of study includes all the key staff of the five institutions or firms studied in the five states of the south east Nigerian.

Table 1: List of Selected Institutions Studied.

Institutions/Firms	Population size
1. Firms that Manufacture Exportable Products	123
2. Firms that Export Manufactured Products	157
3. The Nigerian Export Promotion Council	82
4. The CentralBankState Office Foreign Exchange Departments, Enugu/Owerri	206
5. The Nigerian Export-Import Bank Branched	172
Total	740

Source: *The Human Research Management Department of the organizations in South East Nigeria, Enugu Zonal Office.*

The Sample and Sampling Technique

This formula gives a lower value of a sample size of 173 as compared with the sample size of 506 obtained using Taro Yamane's formula. So Taro Yamane's formula is more efficient as it gives the higher sample size.

the researcher will apply an appropriate sample size method to determine the sample size from the population which comprises different demographic strata. In calculating the sample

size for this study, the researcher will apply the statistical formula for selecting from a finite population as propounded by Yamane (1964:280).

This mathematical method is stated as

$$n = \frac{N}{1 + N(e)^2}$$

- Where n = Simple Size
- N = The entire Population
- I = Theoretical Constant
- e = Proportion of sampling error in a given situation, in this case (0.05)

Assigning values to these symbols, the sample size was calculated thus:

By the use of this formula and N = 740, and equal to 2.5% for a two-tailed test where the level of significance is 5% at 95% confidence level of significance, N = 506.

i.e. for clarity purposes

$$n = \frac{740}{1 + 740(0.025)^2}$$

$$n = \frac{740}{1 + 0.4625}$$

$$n = \frac{740}{1.4625}$$

$$= 505.9829 \cong 506$$

Table 2: Gives the Distribution of the Population Size and Sample Size Per Institution or Firm to be Studied

s/n	Institutions and Firms	Population Size	Sample Size
1	Firms that Manufacture Exportable Products	123	84
2	Firms that Export Manufactured Products	157	107
3	The Nigerian Export Promotion Council	82	56
4	The CentralBankState Office Foreign Exchange Departments	206	142
5	The Nigerian Export-Import Bank Branches	172	117
	Total	740	506

Source: *The Proportional Stratified Sampled Sample size and was adopted to moved from the total population size of 740 to a total sample size of 506.*

To get the total population size of 740, the researcher used only staff of the size institutions or firms that works in the sections where they have the knowledge of the global impact of manufacturing and materials management on international business competitive position in South east Nigeria.

two different statistical methods are tried for use. That is to help the researcher on the best of a higher sample size to use for more spread of ideas and knowledge. Therefore, Freund and Williams formula was also tried, thus:

$$n = \frac{Z^2 NPq}{Ne^2} + Z^2 pq$$

- n = sample size
- z = the z-score
- p = probability of success

- 1) a table enables an easy location of the required figures;
- 2) comparisons are easily made using a table than a verbal or prose information;
- 3) patterns or trends within the figures which cannot be seen in prose information can be revealed by a table;
- 4) a table is more concise than a verbal information.

The data collected for this research through questionnaire and oral interview analysed using

Result Presentation

The fact that 6 (six) questionnaires out of the 506 sample size did not return, the research, now worked on 500 instead of 506 sample size.

Table 3: The Demographic Characteristics of the Respondents

Question	Response	Frequency
Sex	Male	374
	Female	126
	Total	500
Marital status	Married	341
	Single	146
	Divorced	3
	Widowed	6
	Separated	4
	Total	500
Ages	Below 25 years	59
	26 – 30 years	58
	31 – 35 years	62
	36 – 40 years	68
	41 – 45 years	69
	46 – 50 years	66
	51 – 55 years	61
	Above 56 years	56
Total	500	
Length of Service in the Ministry	Less than 5 years	69
	6 – 10 years	74
	11 – 15 years	111
	16 – 20 years	170
	21 years and above	76
Total	500	
Highest Educational Qualification	SeniorSchool Certificate	184
	R.S.A	31
	Trade certificate	12
	Diploma	30
	O.N.D	32
	H.N.D	41
	First Degree	101
	Second Degree	65
	Ph.D	4
Total	500	

Source: Fieldwork (2012).

From Table 4.1, it shown that for the sex of the 500 respondents, 374 of them were males while 126 of them were females. For the marital statuses of the 500 respondents, they were

married, single, divorced, widowed and separated with frequencies of 341, 146, 3, 6 and 4 respectively. For the ages of the 500 respondents, they were in years below 25, 26-30, 31-35, 36-40, 41-45, 46-50, 51-55, above 56 years with frequencies of 59, 58, 62, 68, 69, 66, 61 and 56 of them respectively.

For the highest educational qualifications of the 500 respondents, they had Senior School Certificate, R.S.A, Trade Certificate, Diploma and O.N.D, H.N.D, First Degree, Second Degree and Ph.D. They have frequencies of 184, 131, 12, 30, 31, 41, 101, 65 and 4 of them.

Table 4: Analysis of the Responses of Likert Scale Statements Related to the Objective

	Statement	R	SA	A	U	D	SD	Σfx	x̄	Σf(x-x̄) ²	S ²	Z
1.	There is no positive Global Effect of Materials Management on the Nigeria Business Competitive Position of Some Selected Institutions in South east Nigeria.	x	5	4	3	2	1					
		f	6	6	7	198	283	784	157	186.35		
		$s^2 = \frac{\sum f(x - \bar{x})^2}{n - 1} = \frac{186.35}{499} = 0.3734468938$ $s = \sqrt{s^2} = \sqrt{0.3734468938}$ $s = 0.6111030141$ $z = \frac{\bar{x} - \mu}{s\sqrt{n}} = \frac{(\sqrt{570})(1.57 - 3)}{0.61110341}$ $z = \frac{(10\sqrt{5})(-1.43)}{0.611103041}$ $z = -52.325$										
2.	There is no Positive Global Effect of Materials Requirements Planning on the Nigeria Business Competitive Position of some Selected Institutions in South east Nigeria.	R	SA	A	U	D	SD	Σfx	x̄	Σf(x-x̄)	S ²	Z
		x	5	4	3	2	1					
		f	6	6	6	197	285	751	1.50	245		
		$s^2 = \frac{\sum f(x - \bar{x})^2}{n - 1} = \frac{245}{499} = 0.4909819639$ $s = \sqrt{s^2} = \sqrt{0.4909819639}$ $s = 0.7007010517$ $z = \frac{\bar{x} - \mu}{s\sqrt{n}} = \frac{(\sqrt{n})(\bar{x} - \mu)}{5}$ $z = \frac{(\sqrt{500})(1.50 - 3)}{0.7007010517}$ $z = -47.868$										

Source: Field Survey, 2012.

(Table 4 continued in next page)

3.	There is a Positive Global Effect of Materials Requirements Planning on the International Business competitive Position of Some Selected Institutions in South eastNigeria.	R	SA	A	U	D	SD	Σfx	\bar{x}	Σf(x-\bar{x})	S²	Z
		x	5	4	3	2	1	2167	4.33	223.23		
		f	200	284	5	5	6					
		$s^2 = \frac{\sum f(x-\bar{x})^2}{n-1} = \frac{223.23}{499} = 0.4473547094$ $s = \sqrt{s^2} = \sqrt{0.4473547094}$ $s = 0.6688458039$ $z = \frac{\bar{x} - \mu}{s\sqrt{n}} = \frac{(\sqrt{500})(\bar{x} - \mu)}{0.6688458039}$ $\frac{(\sqrt{500})(1.33)}{0.6688458039}$ $z = 44.464$										
4.	There is a relationship between Materials Management with the Nigeria Business Competitive Position of Some Selected Institutions in South eastNigeria.	R	SA	A	U	D	SD	Σfx	\bar{x}	Σf(x-\bar{x})	S²	Z
		x	5	4	3	2	1	2171	4.34	212.52		
		f	201	284	5	5	5					
		$s^2 = \frac{\sum f(x-\bar{x})^2}{n-1} = \frac{212.52}{499} = 0.4258917836$ $s = \sqrt{s^2} = 0.6526038489$ $s = 0.7256535994$ $z = \frac{\bar{x} - \mu}{s\sqrt{n}} = \frac{(\sqrt{n})(\bar{x} - \mu)}{5}$ $z = \frac{(\sqrt{500})(4.34 - 3)}{0.6526035489}$ $z = 45.913$										

Source: Field Survey, 2012.

Table 4 shows the four likert scale statements related to the second objective, the responses and the numbers. For the statement that there is no Positive Global Effect of Materials Management on the Nigeria Business Competitive Position of some Selected Institutions in South eastNigeria. The responses are Strongly Agree, Agree, Undecided, Disagree and Strongly Disagree. They have numbers of 6, 6, 7, 198 and 203 respectively. These give a calculated z value of -52.325.

For the statement that there is no Positive Global Effect of Materials Requirements on the Nigeria Business Competitive Positions of some Selected Institutions in South east Nigeria, the responses are Strongly Agree, Agree, Undecided, Disagree and Strongly Disagree. They have numbers of 6, 6, 6, 197 and 285 respectively. These give a calculated z value of -47.868. For the statement that there is a Positive Global Effect of Materials Requirements Planning on the Nigeria Business Competitive Position of Some Selected Institutions in South eastNigeria, the responses are Strongly Agree, Agree, Undecided, Disagree and Strongly

Disagree. They have numbers of 200, 284, 5, 5 and 6 respectively. These give calculated z value of 44.464.

For the statement that there is a relationship between Materials Management with the Nigeria Business Competitive Position of Some Selected Institutions and Firms in South east Nigeria, the responses are Strongly Agree, Agree, Undecided, Disagree and Strongly Disagree. They have numbers of 201, 284, 5, 5, and 5 respectively. These give a calculated z value of 45.913. All in all the two negative statements have negative calculated z values of -52.325 and -47.868 respectively. The two positive statements have positive calculated z values of 44.464 and 45.913 respectively. The table z value at 95% confidence level is 1.645. So the two negative statements have calculated z values less than the table z value of 95% confidence level showing that most of the respondents either disagree or strongly disagree with the negative statements at 5% level of significance. Also the two positive statements have calculated z values greater than the table z value at 95% confidence level showing that most of the respondents either agree or strongly agree with the positive statements at 5% level of significance.

Hypotheses Testing

The six alternate hypotheses are that at 5% level of significance:

Ho: There is no difference in the opinions of the respondents on the positive global effect of materials management on the business competitive position of the selected institutions in south east Nigeria.

H₁: There is difference on the opinions of the respondents on a positive global effect of materials management on the business competitive position of the selected institutions in south east Nigeria.

Table 5: Computational Details of the Hypothesis.

S/N	Statement	R	SA	A	U	D	SD	\bar{x}	$\sum fx$	$z = \frac{\frac{x}{n} - P_o}{\sqrt{\frac{(P_o)(1-P_o)}{n}}}$
1.	There is a positive global effect of materials management on business competitive position of theselected institutions in south eastNigeria.	f	280	200	6	7	7			
		x	5	4	3	2	1	4.478	2239	-2.59

Source: Field Survey, 2012.

$$\alpha = 0.05, \quad Z_\alpha = Z_{0.05} = 1.645.$$

Computation of Z

x	f	fx
5	280	1400
4	200	800
3	6	18
2	7	14
1	7	7
	500	2239

Source: Field Survey, 2012.

$$\bar{x} = \frac{\sum fx}{\sum f} = \frac{2239}{500} = 4.478$$

$$P_1 = \frac{\bar{x}}{n} = \frac{4.478}{5} = 0.8956$$

$$z = \frac{P_1 - P_0}{\frac{P_0(1 - P_0)}{\sqrt{n}}}$$

n = 5, P₀ = 0.9, P₁ = 0.8956

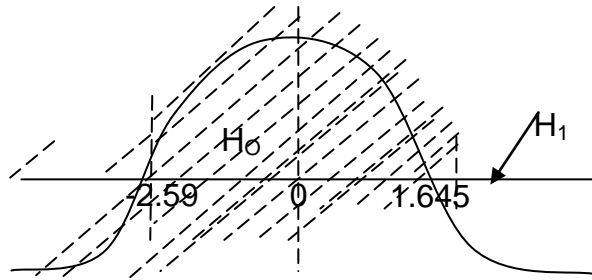
$$z = \frac{0.8956 - 0.90}{\frac{0.90(1 - 0.90)}{\sqrt{5}}}$$

$$= \frac{-0.1044}{\frac{0.90(0.10)}{2.236}}$$

$$= \frac{-0.1044}{\frac{0.90}{2.236}}$$

$$= \frac{0.1044 \times 2.236}{0.90}$$

Z = -2.59



Decision Rule:

Reject H_0 , if $Z_{\text{computed}} > Z_t$
 $-2.59 < 1.645$

Decision

We do not reject H_0 but conclude that there is global positive effect of materials management on the business competitive position of the selected institutions in south east, Nigeria.

Discussion Summary of the Results

The findings were discussed alongside with the objectives and the hypotheses of the study. The objectives of the study are restated for ease of reference.

It was found that a little over 19 out of 20 respondents agreed or strongly agreed that there was a positive global effect of materials management on the Nigerian Business Competitive Position of some Selected Institutions in South east Nigeria. This finding is in an agreement with the contention of Unyimadu (2006) that because materials management consist purchasing, storage and warehousing, production and inventory control and physical distribution, these activities converge to have a global effect on the Nigerian Business Position of many Nigerian Business organizations.

Again, in the economic context the process of Globalisation has many dimensions. Firstly, the finding is in agreement with Dean (2000) that among other dimensions was the expansion of internal trade. Second is the migration of people to various parts of the world. Thirdly is the flow of cash and other investments amongst nations. The fourth dimension is the capital investment by firms or citizens of our nation in order for purposes of producing industrial, agricultural and consumer foods on the later and then marketing them there and in other countries. The fifty aspect of Globalisation is the exchange of finance capital between nations or regions. The sixth aspect concerns the impact and influence of multinational companies or transnational corporations (MNCs/TNCs) on trade, investment and production. Next is the exchange of technology between countries. Finally there is the expansion of international communication networks and the impact of electronic technology on the media in different lands.

This section can merely sketch out a few broad features and histories of the nature and trend of Globalisation. It is necessary to mention at the outset that many stands of Globalisation have existed since long before the origin of modern capitalism. The history of transcontinental and transnational migration is ancient. Some anthropologists believe that the

human race originated in the African continent, and that races found in other parts of the earth have all evolved from group that migrated from Africa at different points of history. The so-called Amerindian races of the western hemisphere probably have their origin in the East Asian people that migrated from Siberia vs. Alaska into America (Ajayi, 2003).

Similarly, in the spread of technology, the result aligns with Kim (1999) that when the ancestors of modern man progressed from the hunting-gathering survival stage to the taming of animals and cultivation of food, those technologies spread to almost every human group more than five to six thousand years ago. This he said, followed by the Globalisation of the use of copper, bronze, iron and other metal alloys. With the beginning of commerce came the exchange of goods and technologies between different civilizations. Evidence has been found of trade and commerce and technological exchanges between the Harappan and Hohenjodaro and Assyrian civilizations. There is evidence of internal flow of traders and settlers the world over. Since the 8th century A.D. and even earlier, Indian traders had formed their settlements in different regions of south-east Asia and a little later in east Africa and its adjoining areas. Likewise Arab traders had established their settlement in all regions along the coast of the Indian Ocean, exchange of dance capital between countries is also ancient. The Hindis of the Indian traders and financiers and the letters of credit from the rulers of the Indian city states of Florence, Genoa and Venice were commonly exchanged. The exchanges connected most European and Asian regions and people in a vast economic network. And the history of these international links is more than two thousand years old in many regions. There have been occasional disruptions in the links. Due to wars, revolutions, famines and other calamities, investors and the trading communities have vanished but at no point has international commerce come to a stand-still.

It is important to remember this history today some writers and the press would have use believe that Globalisation is an invention of the least two decades of even less. By committing history to such pits of forgetfulness, we fail to comprehend which aspects of Globalisation are actually modern and which aspects of it are inextricably woven into our experiences through recorded and oral histories of the ages gone past (Stogetz, 2002).

The origins of a few modern and the growth of some not-so-modern features of Globalisation are linked with the evolution of the capitalist social system in the European continent. Management Experts believe that broadly speaking, this system evolved between the 15th and 16th centuries A.D. in the western and southern European nations, the combined effect of the powers, support of the rulers and the enterprise of sailors and traders was such that it opened to routes of transatlantic passage to the two vast continents of North and South America and set in motion the exploitation at will of the human and natural resources available here. Almost simultaneously these western and southern European national also discovered the sea route of India and South-east Asia sailing from Europe around the southern tip and eastern coasts of Africa, as a result of the opening up of these intercontinental sea routes, the control of European traders and ruling classes on overseas trade gradually increased as did the pace and flow trade. With the total backing and support of their respective governments in 17th century A.D. emerged the East India Companies of England and Holland and a few others like the Ostend and Royal Africa Companies which may be considered the predecessors of the present day multinational companies. The East India Company of England and the East

India Company of Netherlands in time established then British and Dutch rule in India and Indonesia respectively (Kim, 1999).

The result findings is in agreement with Clairmont (1996) that with the spread of capitalism, finance capital kept flowing out ward from nations. First Amsterdam, then London and Paris and finally New York and Tokyo and Frankfurt became the centres of the capital market. Prior to the 19th century A.C. foreign investments were restricted to cash crops like sugar cane, cotton and indigo and the manufacture of sugar from cane. From the 19th century A.C. onwards see the beginnings of direct foreign investments in every country in many other areas like the manufacturing of handlooms, electrical and other appliances and machines, mineral oil and other mineral products and the production of consumer goods. It was at this point that a new kind of multinational company was born. These companies were able, without any direct governmental support to establish the production units, mines and officers in more than one nation purely on the strength of their economic power, ability to market their products and highly advanced technologies.

Interview based on the second objective of this study, 8 out of 9 respondents answered that there was a positive global effect of materials management on business competitive position of the selected institutions in south east Nigeria. The responses or the result of the interviewed was in agreement with responses of the respondents in table 4.3, analysis of the responses of the likert scale instruments related to the six objectives. It states that 279 of 55.80% strangely agreed and 202 of 40.40% agreed that materials management has global effect on business competitive position of the selected institutions in south east Nigeria

The result of the interview aligns itself with Liaw (2008), that materials management to every organization is not a science, but depending upon the relevance and importance that firms/institution officials place upon its system. There would be no one theory to adopt by firms in the management of materials for production, as some firms place materials management on a level as managing of the plant level by hiring an inventory manager or materials manager, and still many other firms or institutions employ the concept that the supervisor in the plant sector are responsible accompanied by a planner (Liaw, 2008).

Materials management as the life wire of organization manufacturing systems, encompasses logistics, embraces the activities necessary to get materials to a manufacturing facility, through the manufacturing process, and out through a distribution systems to the end user; which its twin objectives are to achieve this at lowest possible cost and in a way that best serves customers' needs, thereby lowering the cost of value creation and helping the firm/institution establish a competitive advantages through superior customer service (Hill, 1997).

With regards to the positive global position of the selected institutions as concerned materials management, the findings of the study revealed that the selected institutions for this study in south east Nigeria adopted the application of the recommendation of Liaw (2008) in the management of materials in firms production as to acknowledge that: management of materials in production organization in general has a responsibility, that, the purchasing department should be then responsible for the purchased price variance from the simply base, that the function of creation that generate the idea or design function should be performed (Liaw, 2008).

Conclusion and Recommendations

The positive global effect of materials management on the business competitive position has both international business and local business implication. The global areas of materials management include purchasing, storage and warehousing, production and inventory control and physical distribution of the companies studied needed to make for an increase in the business position. The procurement aspect of purchasing adopted by such multinational companies like shell, Agip, chevron, total final Efiletc give the companies an improve competitive edge with business competition. storage and warehousing which are at the ends of the materials and production cycle ensure the safe keeping of the materials and final products which ensure that the cost of storing does not exceed the cost of ordering, so that low economic orders and economic lot sizes could lead to an increase in distinctive competence of the companies studied. Production which entails getting raw materials and other inputs that are processed to get the products when efficiently managed could enhance the business competitive positions of the companies studied. Physical distribution which includes logistics management and transportation by air, rail, trucks, pipeline and water aids proper choice of mode of transportation if this should lead to an improved business competitive position.

It is recommended that the strategic, manufacturing managers, materials managers or the institutions studied backed by policy shouldcontinue to ensure that materials management should have a positive global effect on the Nigerian competitive position on their organization to ensure that materials are properly handled

Contribution to Knowledge

The present study had the thrust of determining the global effect of manufacturing and materials management on the Nigerian Business Competitive Position of 5 Institutions in South east Nigeria. The research design was a combination of the survey, oral interview and model modification. It was found that both manufacturing and materials management had global effects on the Nigerian Business Competitive Position of the firms studied in South east Nigeria.

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