

**ROLE OF SOURCING IN THE ACHIEVEMENT OF THE
PROFIT OBJECTIVES OF AN ORGANIZATION
(A CASE STUDY OF NIGERIAN BOTTLING COMPANY PLC, ILORIN DEPORT)**

BY

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**BEING A RESEARCH PROJECT SUBMITTED TO THE DEPARTMENT
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CERTIFICATION

This is to certify that this research work has been completed, read and approved as meeting the requirement of the Department of Procurement and Supply Chain Management, Institute of Finance and Management Studies, Kwara State Polytechnic, Ilorin in Partial fulfillment for the Award of (ND) National Diploma in Procurement and Supply Chain Management.

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DEDICATION

This research project is dedicated to the Most High that preserved me throughout the course of my programme at Kwara State Polytechnic, Ilorin, for His infinite mercy that endureth forever in my live.

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All praise belongs only to the Supreme Being the lord of all creation, the nourished and sustainer of mankind, peace and blessing of ALLAH be upon our noble prophet MUHAMMED (S.A.W) and all those who believe in His Messengers and the only judgment.

My unpreserved is due to my supervisor, my guardian Mr. Ayanda J. O. in the Department of Procurement and Supply Chain Management, Kwara State Polytechnic, Ilorin for taken his time to read and edit errors in the research work, giving useful advises and leading me through the stages of my work.

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I appreciate the efforts of my Gist partner, troublesome friend, best partner Abdulqodir, may almighty Allah continue to bless you and enrich your pocket (Amen). And also my beloved sister Hajia Riskat, may almighty Allah continue to bless you and enrich your pocket.

I appreciate my friends; Kudirat, Sofiat, Maryam, and Taofikat for the support through my ND programme, may Allah bless you all abundantly.

ABSTRACT

This study explores the role of sourcing in achieving the profit objectives of Nigeria Bottling Company Plc. It investigates how sourcing strategies such as supplier selection, cost management, and supply chain efficiency contribute to profitability and competitive advantage. Data were collected through primary sources including questionnaires and interviews, as well as secondary sources like company records and literature. The findings reveal that strategic sourcing significantly influences the company's cost structure, product quality, and customer satisfaction. Effective sourcing practices, including a mix of local and international procurement, enhance operational efficiency and profit margins. Conversely, poor sourcing decisions lead to production delays and increased costs. The study concludes that integrating sourcing into corporate strategy is crucial for sustainable profitability. It recommends adopting strategic sourcing models, strengthening supplier relationships, investing in supplier evaluation tools, developing local sourcing, enhancing staff training, leveraging technology, and implementing risk management strategies to improve sourcing effectiveness and drive profitability.

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CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND TO THE STUDY

In the contemporary business landscape, effective sourcing strategies are increasingly recognized as critical components for the sustainability and profitability of organizations. Sourcing involves the process of identifying, evaluating, and engaging suppliers of goods and services. It is not only limited to procurement but also includes building strategic supplier relationships, optimizing costs, and ensuring supply chain efficiency (Monczka, Handfield, Giunipero, & Patterson, 2015). In competitive industries like the beverage industry, efficient sourcing can serve as a strategic lever for improving profit margins and gaining competitive advantage.

The global economy has transformed supply chains into complex networks requiring advanced sourcing strategies. Organizations now seek to reduce procurement costs while maintaining product quality and timely delivery. According to Chopra and Meindl (2016), sourcing directly impacts key operational areas such as cost management, risk reduction, and value creation. In this context, sourcing is not just an operational task but a strategic activity aligned with the profit objectives of the organization.

In Nigeria, the beverage industry is dynamic and highly competitive. The Nigeria Bottling Company (NBC) Plc, a franchise bottler for Coca-Cola, operates in a market where cost efficiency, consistent product availability,

and quality are essential to maintaining profitability. As such, sourcing practices within NBC play a vital role in ensuring operational efficiency, maintaining product standards, and reducing overall cost, thereby contributing directly to the company's profit objectives.

Furthermore, globalization has heightened the need for companies to adopt more efficient and strategic sourcing practices to remain competitive. With increased access to global suppliers and resources, firms are now able to leverage cost advantages, technological innovations, and quality improvements from different parts of the world. However, this opportunity also comes with risks such as supply chain disruptions, geopolitical instability, and quality control issues. As a result, organizations like Nigeria Bottling Company Plc must develop resilient sourcing frameworks that not only reduce costs but also ensure consistent product availability and compliance with global standards (Trent & Monczka, 2003).

In addition, the role of technology in sourcing has become more pronounced. Tools such as e-procurement systems, data analytics, and supplier performance management software are enabling firms to make more informed decisions, reduce lead times, and enhance collaboration with suppliers. For a company operating in a cost-sensitive and fast-moving consumer goods industry, like NBC Plc, the adoption of modern sourcing techniques is essential for sustaining profitability. By integrating technology with strategic sourcing, organizations can better align their procurement

goals with overall business objectives, leading to improved financial performance and market responsiveness (Van Weele, 2018).

1.2 STATEMENT OF THE PROBLEM

Many organizations in Nigeria, particularly in the manufacturing sector, face significant challenges in aligning their sourcing strategies with their profit goals. These challenges range from poor supplier selection and unreliable supply chains to high procurement costs and inadequate technological integration. For the Nigeria Bottling Company Plc, ineffective sourcing could lead to increased operational costs, poor product quality, and ultimately, reduced profitability. There is a need to evaluate the extent to which sourcing contributes to the achievement of the company's profit objectives, and how strategic improvements in sourcing can further enhance performance.

1.3 OBJECTIVES OF THE STUDY

The main objective of this study is to examine the role of sourcing in the achievement of the profit objectives of organizations, using Nigeria Bottling Company Plc as a case study. The specific objectives are:

- i. To analyze the sourcing strategies adopted by NBC Plc.
- ii. To assess the impact of these sourcing strategies on the company's profitability.
- iii. To evaluate the challenges faced by NBC in implementing effective sourcing.
- iv. To suggest ways to improve sourcing to enhance profit margins.

1.4 SIGNIFICANCE OF THE STUDY

This study is significant for several reasons. Firstly, it will contribute to the body of knowledge on procurement and supply chain management, especially within the Nigerian context. Secondly, it will provide insights for supply chain professionals and business managers on how effective sourcing can be used as a tool to drive profitability. Thirdly, it will help policymakers and stakeholders in the manufacturing sector to understand the critical link between sourcing strategies and business success. Finally, the findings of this study may offer practical recommendations for NBC and similar companies seeking to optimize their sourcing operations for improved performance.

1.5 SCOPE OF THE STUDY

This research focuses on the sourcing practices of Nigeria Bottling Company Plc and how these practices affect the company's ability to achieve its profit objectives. The study is limited to the procurement department and other relevant units involved in sourcing activities within the company. While the study primarily considers NBC Plc, the findings may be relevant to other firms in the beverage and manufacturing industry.

1.6 RESEARCH QUESTIONS

The following research questions guide this study:

- i. What are the current sourcing strategies used by NBC Plc?
- ii. How do these strategies contribute to the company's profitability?
- iii. What challenges does NBC Plc face in the sourcing process?

- iv. How can sourcing practices be improved to support the profit objectives of NBC?

1.7 FORMULATION OF RESEARCH HYPOTHESIS

To facilitate the analysis, the study is guided by the following hypothesis:

Ho: Sourcing strategies have no significant effect on the profitability of Nigeria Bottling Company Plc.

Hi: Sourcing strategies have a significant effect on the profitability of Nigeria Bottling Company Plc.

1.8 HISTORICAL BACKGROUND OF NIGERIA BOTTLING COMPANY PLC (NBC)

Nigeria Bottling Company Plc (NBC) was established in 1951 and is a member of the Coca-Cola Hellenic Bottling Company (CCHBC). The company began operations in Lagos, with the first production of Coca-Cola. Over the years, NBC has expanded to over thirteen bottling plants and over eighty distribution warehouses across the country. It produces, markets, and distributes Coca-Cola products and other beverages such as Fanta, Sprite, Schweppes, and Five Alive. Sourcing raw materials, packaging, and distribution resources efficiently is crucial to the company's operations and profitability. The sourcing unit plays a pivotal role in selecting suppliers, negotiating terms, managing contracts, and ensuring timely delivery of materials for production.

1.9 DEFINITION OF TERMS

- i. **Sourcing:** The process of identifying, evaluating, and engaging suppliers of goods and services.
- ii. **Profit Objectives:** Financial goals set by an organization to achieve desired levels of profitability.
- iii. **Procurement:** The act of acquiring goods and services, typically for business purposes.
- iv. **Supply Chain Management:** The management of the flow of goods and services from the point of origin to the point of consumption.
- v. **Strategic Sourcing:** A method of managing procurement processes that continuously re-evaluates purchasing activities of a company to optimize value.

CHAPTER TWO

LITERATURE REVIEW

2.1 CONCEPTUAL FRAMEWORK

Sourcing refers to the strategic approach of identifying, evaluating, and engaging suppliers to acquire goods and services needed for the operations of an organization. It encompasses activities such as procurement, vendor selection, negotiation, and supplier relationship management. Effective sourcing ensures that inputs are acquired at optimal costs, quality, and delivery schedules, contributing directly to organizational profitability (Monczka et al., 2020).

Sourcing can be categorized into two main types: strategic sourcing and tactical sourcing. Strategic sourcing involves long-term planning and alignment with business goals, while tactical sourcing focuses on day-to-day procurement activities. In organizations like Nigeria Bottling Company Plc (NBC), sourcing plays a critical role in ensuring cost efficiency, consistent supply of raw materials, and alignment with profit objectives.

Profit objectives refer to the financial goals set by an organization to generate surplus after deducting expenses. These objectives are often achieved through cost reduction, operational efficiency, and value creation—all of which sourcing contributes to significantly. Effective sourcing minimizes input costs, reduces risks, ensures quality, and enhances competitive advantage (Chopra & Meindl, 2019).

2.1.1 Cost efficiency and organizational performance

Organizations ought to consider sourcing when it is trusted that different help capacities can be done speedier, less expensive, or better by an outside association (Barthelemy & Adsit, 2023). Those functions that are not key to the organization should be considered as options to contract out. However, any skill or knowledge that are vital to the organization to serve its customers better, directly related to the product or service it is trying to sell out, is one that must remain in- house. Cost efficiency is as yet the essential clarification for the advancement of sourcing. Firms assess sourcing to decide whether current operation expenses can be diminished and if spared assets can be reinvested in forms that are more aggressive. A few scientists battle that an imperative wellspring of cost diminishments is the sourcing company's entrance to economies of scale and the interesting ability that a vast sourcing merchant can convey, all of which in turn will serve to boost the Organizational performance (Bin, 2022).

2.1.2 Organizational performance and the quality of goods and services rendered.

As opposed to the above authors, it has established that successful undertaking of strategic sourcing procedure has been attributed with expanding the limit, enhance the limit, and enhance the quality (Lau and Hurley 2021; Kotabe, Murray and Javalugi 2019). According to D'Aveni and Ravenscraft (2020), all business substances have reducing assets, and each

administrator has decreasing time and consideration. Key sourcing can make your business occupy its concentration from remote exercises toward work that better serves the client, and it can help managers set their priorities more clearly. According to Elmuti (2021), staff costs were the essential explanation for vital sourcing; be that as it may, it likewise enhances the working productivity.

2.1.3 Effect of strategic sourcing on lead time and organization performance

A principal thing to ask is whether vital sourcing improves quality and, particularly, paying little respect to whether the firm that grasps sourcing shows higher efficiency in this way.

Fundamentally this request renders down to the trades cost question routinely posed: should an affiliation create its own specific commitments by some kind of vertical merger or would it be a smart thought for it to endeavor to get maybe more forcefully esteemed commitments on the open market? To the best of a couple of experts' data, there are only an astoundingly set number of more careful quantifiable or econometric examinations looking issue. The verification that has been made in such papers, regardless, recommends that the regard updating join among sourcing and profitability isn't unmistakably settled. Specifically, Kimura (2019) did not find any evidence that sourcing led to higher profits in Japanese manufacturing firms. Separating between sourcing of administrations and non-administrations inputs, Görzig and.

Stephan (2019) discovered that sourcing of materials is decidedly associated with benefits, while there is a negative connection amongst gainfulness and sourced administrations for a specimen of German assembling firms. The confirmation that has been delivered in such papers, nonetheless, recommends that the esteem improving connection amongst sourcing and productivity isn't unmistakably settled. Specifically, Kimura (2021) does not find any evidence that subcontracting leads to higher profits in Japanese manufacturing firms.

2.1.4 Profitability margin and organization performance

Lau and Hurley (2021) found a notable connection amongst sourcing and benefit edge where they found that Chrysler's profit margin is four times as high as that of General Motors (GM) as a result of effective sourcing through strategic alliances. In an examination of the Japanese machinery manufacturing industry, Kimura (2022) discovered that inadequately performing firms (low surplus to deals and low esteem added to deals) will probably utilize subcontractors.

He reasons that benefits are most astounding for those organizations that don't included themselves with any subcontractors, be they providers or outsourcer.

Both of these results align with those for Germany by Görzigand (2022). Holger, G. & Aoife, H. (2021) who practically analyzed the relationship between sourcing and profitability at the plant level, utilizing information for the electronics sector in the Republic of Ireland. Their outcomes proposed

that the benefit/sourcing relationship is reliant on the qualities of the plant, especially its size.

They found that plants that were extensively bigger than the mean work estimate profited from sourcing materials inputs, while for littler plants this was not the situation. Inside this reasonable examination they were not able clarify this size drawback, in spite of the fact that there was theory based of the theoretical work by Grossman and Helpman (2020) this demonstrated higher exchange costs for little plants. Especially they may experience bring down bartering power concerning providers and additionally higher expenses in finding adequate providers. The advantages from administrations sourcing are less obvious, be that as it may. As we decipher these outcomes we have to recall that their observational philosophy recommended that they were basically breaking down short run impacts. Because of the moderately brief time of information secured, they were not able analyze the long run impacts of sourcing on benefit.

2.2 THEORETICAL FRAMEWORK

2.2.1 Institutional theory

This is a theory on the underlying and more irrepressible aspects of structure on the social sense. It tables into account the procedures by which structures including standards, policies, routines and schemes are built up as legitimate rules for social conduct. In this study, it explains how a businesses environment through regulations, normal and subjective components

regulates and approves methodologies (Scott, 2020). Although the institutional theory and “neo-institutional” theory (e.g. March and Olsen, 2022) have distinctive perspectives on whether definitive modification is acknowledged by aware decision methods made to consent to the affiliation's condition (the last attributes more centrality to such decisions), both gauge that institutional weights may influence the relationship to grasp sourcing courses of action that hold quick to its condition. Diverse institutional weights may influence relationship to source unmistakably which

may have financial outcomes and may provoke moral dilemmas. Notwithstanding, it is essential for firms to adhere to the scope of legal sourcing strategies on the grounds that a legitimate firm gets assets of higher quality at more good terms than an unlawful firm. On the other hand, if firms are too similar deliberately, their execution may fall apart. Therefore, it could be stated that select sourcing strategies that help legitimize them, but do not lead to isomorphism.

2.2.2 Agency theory

The agency theory is a notion that clarifies the connection between the principals and operators in a business. From this perspective, the principal is the firm's strategic sourcing function while the agent is represented by the supplier. It keeps up that the settle on against the purchase choice is to be decided by the economic relationship between the cost of producing goods and the cost of transacting. Where production costs fall below transaction

costs, the business should come up with and run the process internally and vice versa. By transaction costs we are referring to the actual sourcing costs and what's more additional checking and control costs that are normal by the chief. Observing costs allude to any expenses brought about by the primary to guarantee that the specialist's practices and exercises that may make misfortunes for the central, and furthermore guarantees that the key meets the simple terms and states of the sourcing contract. Control expenses are the binding costs that the principal assumes to enforce the terms of the sourcing contract upon term violation. (Eisenhardt, 1989; Jensen and Meckling, 2021).

Agency theory statutes recommend that lower exchange costs are pushing firms far from sourcing inside and toward buying or partnership key sourcing connections. Certain fundamental forces are accepted to drive the advancement towards more progressive and more grounded sourcing securities among principals and authorities. Additionally, the extended use of key sourcing as a fundamental contraption has given more firms extended association in enhancing effective watching and control systems to manage master hones. On account of the advancement of the information reachable by sourcing principals, more masters and an extended contention among administrators, pros expect more perils if they partake in rehearses that adventure the principals (Logan, 2019, Zsidisin et. al, 2023).

2.3 EMPIRICAL REVIEW

Several empirical studies have demonstrated the impact of sourcing on organizational profitability. A study by Ogunrinde and Ogunnaike (2019) on the food and beverage industry in Nigeria found that efficient sourcing practices significantly reduced production costs and improved profit margins. The study emphasized supplier collaboration and quality control as key drivers of profitability.

Similarly, Afolabi et al. (2019) investigated the role of strategic sourcing in manufacturing firms and reported that firms with well-defined sourcing strategies achieved better cost savings, timely delivery, and quality assurance. The study concluded that sourcing contributes not only to operational efficiency but also to long-term financial performance. In a more focused study on bottling companies, Nwachukwu and Onuoha (2020) analyzed sourcing strategies in Nigerian bottling firms and found that firms that prioritized local sourcing and supplier partnerships witnessed improved profit levels and reduced dependency on foreign inputs, leading to more stable cost structures.

In an international context, Trent and Monczka (2023) also emphasized the importance of global sourcing in enhancing competitive advantage and profitability, especially for companies operating in dynamic and cost-sensitive markets.

These studies consistently show that sourcing, when strategically managed, directly influences cost efficiency, risk mitigation, product quality, and ultimately, profitability.

2.4 GAP IN LITERATURE

Starting up any strategic sourcing decision making process demands much effort, hence Douglas and Scott (2020) declare that some fundamental considerations should be adhered to. They propose that the organization should set their strategic direction, highlight their core competence and determine its strategic objectives, produce a list of suppliers/vendors to consider and constitute a team for the strategic sourcing and governance process. It is worth emphasizing that the organization should consider the choice of partner – they should focus on partnering with the right vendors, institute an efficient governance system that foster's good relationship, and also handle employees' dealings with caution. Above all, the senior management must set the overall direction. Strategic sourcing decisions, according to Justin et al (2022) should really be a strategy-driven process. First and foremost is to have a clear definition of the strategic objectives and target variables that can be used to evaluate the success of the strategic decision; this is the most vital for the success of sourcing move.

Second is to define a suitable sourcing model with a clear definition of objectives and variables that will help figure out the business gains and set goals. Validation of the sourcing model should include some stakeholders, who are involved in the strategic sourcing projects within the organization.

This will strengthen the benefits and risks of the sourcing decision and may consider benchmarking data for similar businesses. The next step would be to define requirements and partner selection criteria.

This involves a clear definition of the requirements and specifications of parameters for the vendor selection criteria. Finally is to select the right vendor based on the selection criteria then followed by the initiation of negotiations procedure.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 INTRODUCTION

This chapter outlines the methodology employed in conducting the study. It presents the research design, methods of data collection, sources of data, sampling techniques, population and sample size, and the statistical techniques used in data analysis. The aim is to ensure a systematic approach to gathering and analyzing data for accurate and reliable findings on the role of sourcing in achieving profit objectives at Nigeria Bottling Company Plc.

3.2 RESEARCH METHOD USED

The study adopts a **descriptive survey research design**. This method is appropriate because it allows the researcher to collect data directly from respondents in their natural setting to describe and analyze current practices and relationships. It enables an in-depth examination of how sourcing activities influence profit objectives within the case organization.

3.3 SOURCE OF DATA

The research utilized **both primary and secondary data**:

- **Primary data** were obtained directly from employees of Nigeria Bottling Company Plc through the use of questionnaires.
- **Secondary data** were sourced from textbooks, journals, company reports, and online articles relevant to sourcing and profitability in manufacturing organizations.

3.4 DATA COLLECTION TOOLS

The main tool for data collection was a structured questionnaire designed to capture respondents' views on sourcing practices and their effect on profitability. The questionnaire contained both closed-ended and Likert scale questions to allow for quantitative analysis. In some cases, informal interviews were conducted to gain deeper insight into certain sourcing strategies used by the company.

3.5 RESEARCH POPULATION AND SAMPLE SIZE

The target population for this study comprises employees of Nigeria Bottling Company Plc, particularly those involved in procurement, logistics, production, and finance departments. Given the large size of the population, a representative sample was selected to make the study manageable and cost-effective.

The sample size for this research is 80 respondents, chosen based on accessibility and relevance to the research topic. This size was considered adequate to provide a reliable representation of the population for valid conclusions.

3.6 SAMPLE PROCEDURE EMPLOYED

The study employed a purposive sampling technique. This method was used because the research is focused on specific departments and individuals who are directly involved in sourcing and related decision-making processes. By targeting relevant staff members, the researcher ensured that the data collected were rich and relevant to the research objectives.

3.7 STATISTICAL TECHNIQUES USED IN DATA ANALYSIS

Data collected were analyzed using descriptive and inferential statistics. Descriptive statistics such as frequency distribution, percentages, and mean scores were used to summarize and present the data. For inferential analysis, Chi-square (χ^2) tests were applied to test the hypotheses and determine the relationship between sourcing strategies and profit objectives. The results were presented in tables for clarity and ease of interpretation.

CHAPTER FOUR

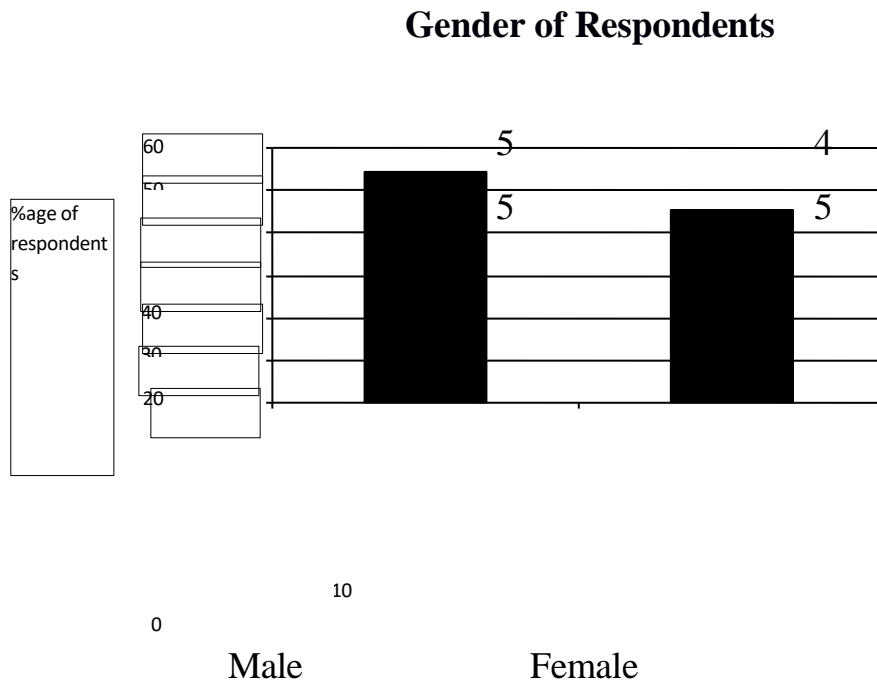
DATA PRESENTATION AND ANALYSIS OF DATA

4.1 INTRODUCTION

Chapter Four will deliberately exhibit the discoveries of the examination contemplate and decipher their criticalness in light of the information investigation, and present the outcomes to distinguish the parts and build a hypothetical structure supporting the key sourcing in view of the information examination. The information was assembled utilizing an organized poll which was outlined in accordance with the destinations of the investigation which was to investigate the role of sourcing in the achievement of the profit objective of organization: A Case Study of Nigeria Bottling Company, Plc. The results of this study are represented in tables.

4.2 DATA PRESENTATION

Respondents were gotten some information about their sex, age, and level of education with their organization. Findings are presented in Figures 1 to 4 followed with an analysis and interpretation.



Source: Field

Figure 1: Gender of respondents

Findings in Figure 1 show that most respondents (55%) were male compared to the female respondents (45%). This implies that there are more male staff members compared to the female staff members.

Age Range of Respondents

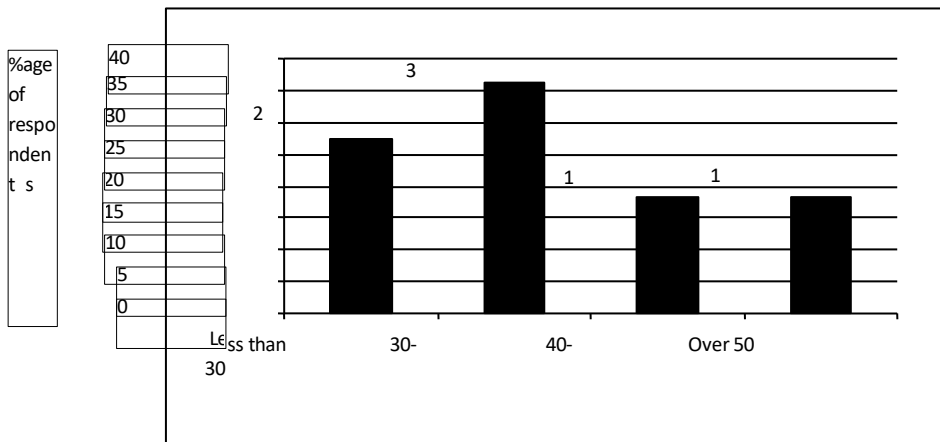
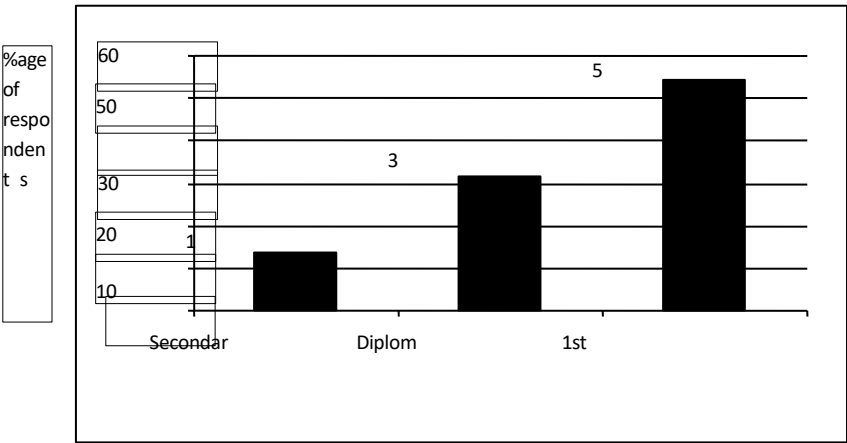


Figure 2: Age range of respondents

Findings in Figure 2 show that a large proportion of respondents (36%) were in the age range of 30-39 years compared to the respondents in the age range of less than 30 years (27%), 40-49 years and over 50 years (18%), respectively. This implies that there is large proportion of staff members in the age range of 30-39 years.

Level of Education of Respondents



Source: Field

Figure 3: Level of education of respondents

Findings in Figure 3 show that a large proportion of respondents (55%) had a 1st degree level of education compared to the respondents with a diploma level of education (32%) and with a secondary level of education (14%), respectively. This implies that there is large proportion of staff members are in the age range of 30-39 years.

4.3 DATA ANALYSIS

Q1: Findings on effect of strategic sourcing on cost efficiency

Statements	Strongl y disagre e	Disagre e	No t sur e	Agree	Strongl y agree	Total

1. Strategic sourcing has led to cost reduction in purchase price	3 (9%)	5 (15%)	4 (12%)	16 (48%)	5 (15%)	33 (100%)
2. Strategic sourcing has enable this organization to purchase higher volumes	7 (21%)	6 (18%)	7 (21%)	10 (30%)	3 (9%)	33 (100%)
3. Strategic sourcing has enabled this organization with long term cash flows	4 (12%)	6 (18%)	5 (15%)	10 (30%)	8 (24%)	33 (100%)
4. Strategic sourcing has enabled this organization to spend less	5 (15%)	10 (30%)	3 (9%)	5 (15%)	10 (30%)	33 (100%)
5. Strategic sourcing has enabled efficiency this Organization	4 (12%)	7 (21%)	9 (27%)	8 (24%)	5 (15%)	33 (100%)

To dissect the outcomes, respondents who emphatically differ and the individuals who differ were registered to one class of respondents who contradicted the announcements and respondents who unequivocally concurred and the individuals who concur were figured to one classification of respondents who agreed with the announcements. Hence, three extents of respondents were looked at and included respondents who "restricted the announcements", "didn't know with the announcements" and "agreed with the announcements". The same procedure was adopted in analyzing the results.

Therefore, discoveries demonstrate that couple of respondents (24%) restricted the announcement that vital sourcing has prompted lessened price tag in this association contrasted with the individuals who agreed (63%) while just 12% didn't know. This infers by and large, vital sourcing has prompted diminishment in decreased price tag.

Q2: Findings about strategic effect of strategic sourcing on quality

Statements	Strongly disagree	Disagree	Not sure	Agree	Strongly agree	Total

1. Strategic sourcing has helped this organization to conform to requirements	9 (9%)	6 (14%)	3 (7%)	11 (50%)	4 (20%)	33 (100%)
2. Strategic sourcing has enabled this organization improve on quality	1 (2%)	8 (18%)	6 (5%)	12 (45%)	6 (30%)	33 (100%)

To dissect the outcomes, respondents who emphatically differ and the individuals who differ were registered to one class of respondents who contradicted the announcements and respondents who unequivocally concurred and the individuals who concur were figured to one classification of respondents who agreed with the announcements. Hence, three extents of respondents were looked at and included respondents who "restricted the announcements", "didn't know with the announcements" and "agreed with the announcements". The same procedure was adopted in analyzing the results.

Therefore, discoveries demonstrate that couple of respondents (24%) restricted the announcement that vital sourcing has prompted lessened price tag in this association contrasted with the individuals who agreed (63%)

while just 12% didn't know. This infers by and large, vital sourcing has prompted diminishment in decreased price tag.

Less respondents (39%) restricted the announcement that key sourcing has empowered this establishment to buy higher volumes of buys contrasted with the individuals who agreed (40%) while 21% didn't know. This suggests as a rule, vital sourcing has empowered to higher volumes of buys.

Less respondents (30%) contradicted the announcement that key sourcing has empowered this association with long haul money streams contrasted with the individuals who agreed (54%) while just 15% didn't know. This infers as a rule, vital sourcing has empowered to foresee on money streams.

Q3: Findings about strategic effect of strategic sourcing on quality

Statements	Strongly disagree	Disagree	Not sure	Agree	Strongly agree	Total
1. Strategic sourcing has helped this organization to conform to requirements	9 (9%)	6 (14%)	3 (7%)	11 (50%)	4 (20%)	33 (100%)

2. Strategic sourcing has enabled this organization improve on quality	1 (2%)	8 (18%)	6 (5%)	12 (45%)	6 (30%)	33 (100%)
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From findings fewer respondents (23%) opposed the statement that strategic sourcing has helped this organization to conformity of its requirements compared to those who concurred (70%) while only 7% were not sure. This implies that in most cases, strategic sourcing has helped to conform to its services at NPS.

Fewer respondents (20%) opposed the statement that quality and growth in this organization has increased due to strategic sourcing compared to those who concurred (75%) while only 5% were not sure. This implies that in most cases, quality and growth has increased due to strategic sourcing at APS

Fewer respondents (20%) opposed the statement that strategic sourcing has helped this organization to improve capacity compare to those who concurred (71%) while only 9% were not sure. This implies that in most cases, strategic sourcing has helped to improve capacity.

4.4 DISCUSSION OF FINDINGS

The results of the data collected are presented in frequency tables. The study targeted a sample of 33 respondents. The examination centered to diagram people with more years of contribution in the business to ensure precision of

results. 73% of respondents had more than 5 years association in the business. The wide parameters contemplated and analyzed consolidate positions that are well while in transit to be essential sourced, clarifications behind key sourcing, top key sourcing objectives, and key sourcing accessory assurance among various segments.

CHAPTER FIVE

SUMMARY, CONCLSUION AND RECOMMENDATIONS

5.1 SUMMARY OF FINDINGS

This study examined the role of sourcing in achieving the profit objectives of Nigeria Bottling Company Plc. The research focused on understanding how sourcing strategies such as supplier selection, cost management, and supply chain efficiency contribute to profitability and competitive advantage. Data were gathered through both primary and secondary sources including questionnaires, interviews, and review of relevant documents.

The study found that effective sourcing practices significantly impact the cost structure and operational efficiency of Nigeria Bottling Company Plc. Strategic sourcing decisions, such as selecting reliable suppliers, negotiating favorable terms, and maintaining quality standards, directly influence product cost, customer satisfaction, and profit margins. Furthermore, it was revealed that the company adopts both local and international sourcing to balance cost efficiency with quality and availability of raw materials.

Moreover, the findings show that inadequate sourcing can lead to delays, increased production costs, and ultimately, lower profitability. On the contrary, robust sourcing frameworks enable Nigeria Bottling Company to meet production timelines, reduce operational costs, and deliver value to customers, which translates to improved profitability.

5.2 CONCLUSION

Based on the research findings, it is evident that sourcing plays a critical role in the achievement of an organization's profit objectives. For Nigeria Bottling Company Plc, sourcing is not just a procurement function, but a strategic activity that influences the overall performance of the organization.

The study concludes that:

- ❖ Strategic sourcing contributes significantly to cost reduction and efficient resource utilization.
- ❖ Sourcing decisions affect not only the availability of raw materials but also the quality of finished products.
- ❖ Companies that integrate sourcing into their long-term strategic plans are more likely to achieve sustainable profitability.
- ❖ Therefore, the integration of effective sourcing strategies into the operational goals of an organization is essential for achieving profit objectives and maintaining competitiveness in the market.

5.3 RECOMMENDATIONS

In view of the findings, the following recommendations are made:

- ❖ Adopt Strategic Sourcing Models: Nigeria Bottling Company should continue to adopt and refine strategic sourcing practices to align procurement with corporate goals.
- ❖ Strengthen Supplier Relationship Management: Building long-term relationships with suppliers based on trust, performance, and mutual

benefit can lead to better pricing, improved service levels, and innovation.

- ❖ **Invest in Supplier Evaluation Tools:** The company should invest in tools and techniques for evaluating supplier performance regularly to ensure continuous improvement.
- ❖ **Local Sourcing Development:** While international sourcing may offer quality benefits, Nigeria Bottling Company should invest in developing local suppliers to reduce dependency on foreign markets and mitigate exchange rate risks.
- ❖ **Enhance Procurement Staff Training:** The procurement team should be adequately trained in modern sourcing strategies, negotiation skills, and supply chain analytics to enhance efficiency.
- ❖ **Leverage Technology:** The use of digital procurement platforms can help streamline sourcing processes, reduce costs, and enhance decision-making.
- ❖ **Implement Risk Management Strategies:** Sourcing risks, including political, economic, and supplier-related risks, should be proactively managed to ensure supply continuity and protect profit margins.

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