MIDLANDS STATE UNIVERSITY

FACULTY OF COMMERCE

DEPARTMENT OF ACCOUNTING

THE IMPACT OF OPERATIONAL COST CONTAINMENT STRATEGIES ON FINANCIAL PERFORMANCE OF LOGISTICS COMPANIES IN ZIMBABWE: A CASE OF CARGO CARRIERS INTERNATIONAL HAULERS

Prepared By: MASHIE NYAMAPENI R144392A

This dissertation is submitted in partial fulfilment of the requirements of the Bachelor of Commerce (Honours) Degree in Accounting in the Department of Accounting at Midlands State University, Gweru, Zimbabwe

May, 2018

DECLARATION FORM

I Mashie Nyamapfeni declare that this project is my own piece of work which has been copied from any source without the acknowledgement of the source.

APPROVAL FORM

The undersigned confirm that they have supervised the student Mashie Nyamapfeni dissertation entitled, the impact of operational cost containment strategies on financial performance of logistics companies in Zimbabwe a case of Cargo Carriers International Haulers submitted in partial fulfilment of the requirements of Bachelor of Commerce Accounting (Honours) Degree at Midlands State University.

…………………………… …….…………………..……………….

SUPERVISOR DATE

…………………………… ………………………………………

CHAIRPERSON DATE

……………………………….. ………………………………………...

EXTERNAL EXAMINER DATE

RELEASE FORM

NAME OF STUDENT: Mashie Nyamapfeni

DISSERTATION SUPERVISOR: Mr Ngirazi

DISSERTATION TITLE: The impact of operational cost containment strategies

on financial performance of logistics companies in

Zimbabwe: (a case of Cargo Carriers International

Haulers.)

DEGREE TITLE: Bachelor of Commerce Accounting (Honours)

Degree.

YEAR DEGREE WAS GRANTED: 2018

Permission is hereby granted to the midlands state university library to produce single copies of this dissertation and lend or sell such copies for private, scholarly or scientific purpose only. The author does not reserve other publication rights and neither the dissertation nor extensive extracts from it may be printed or otherwise reproduce without the author's written permission.

SIGNED: ……………………………………………….

PERMANENT ADDRESS: Inkomo Barracks

Private Bag 330 B

Harare

DATE: …………………………….

DEDICATION

This research is dedicated to my family and friends.

ACKNOWLEDGEMENTS

And we know that all things work together for good to them that love God – Romans 8:28

First and foremost, I would like to thank the Almighty God for taking me this far in my academic journey. I am thankful to my supervisor Mr Ngirazi for the unwavering support during the course of the research in producing this document. I would like to extend my gratitude to the department of Accounting and my lecturers for imparting relevant knowledge that enabled me to write this report. I also want to express my appreciation to Cargo Carriers management for granting me this opportunity to carry out my research project using their entity as a case study.

Special thanks goes to my family for their unwavering support as well as my friends Alice Wutete, Churchill Kwambana and Tatenda Tanyanyiwa whose encouragement strengthened me through the course of the research.

ABSTRACT

The research seeks to analyze the impact of operational cost containment strategies on financial performance of logistics companies in Zimbabwe. The research used Cargo Carriers International Haulers as a case study analyzing the impact of operational cost containment strategies implemented on financial performance, determining the motives behind Cargo Carriers cost containment strategies adoption, analyzing the factors that influence the successful implementation of operational cost containment strategies and ascertain the relationship that exists between operational cost containment strategies and financial performance (return on equity) using Regression analysis. In collecting data, the study made use of interviews and questionnaires. The research had a targeted population of forty five Cargo Carriers staff members, a sample size of thirty two staff members who were selected using convenience and stratified sampling techniques. A total of thirty two questionnaires were distributed to Cargo Carriers staff and only twenty four were returned obtaining a 75% response rate and three management staff were interviewed and earned a 100% response rate. Charts, graphs and tables were used to present data and an analysis was made resulting in conclusions to be drawn. The research discover that operational cost containment strategies and financial performance have a positive relationship in logistics companies in Zimbabwe. The study recommended that logistics companies must implement effective short run operational cost containment strategies to upturn the financial performance of an organization (those that do not exceed a year). The study is new in Zimbabwe as no specific research has studied on the impact of operational cost containment strategies on financial performance of logistics companies in Zimbabwe and the researcher is optimistic that the study can upturn the financial performance of Cargo Carriers International Haulers.

TABLE OF CONTENTS

LIST OF ACRONYMIC

PEST	Political, economic, social and technological
ROE	Return on equity
USA	United States of America

LIST OF TABLES

LIST OF FIGURES

CHAPTER ONE

INTRODUCTION

1.0Introduction

The research endeavor to study the influence of operational cost containment strategies on financial performance of logistics companies in Zimbabwe. Cost containment strategy is a technique meant to retain costs level without damaging long term operation of the entity according to Mufrinya (2016). Cost containment strategies are policies selected to attain long term objectives of cost declines or deed predestined to maintain expenses without negatively affecting the performance of the entity in the long run operation submits Kwambana (2017). Cargo Carriers International Haulers implemented vehicle tracking system in June 2013, ever since financial earnings have been declining. This chapter begins with the background to the study, followed by problem statement and research questions. It goes on to give research objectives and the significance of the research respectively. It also lays foundation on the delimitations of the study as well as the limitations in the course of the research. The chapter ends by highlighting the assumptions which the researcher made in conducting the study, definition of terms and the chapter summary.

1.1Background to the study

Cost containment strategies are operative procedures and values for cumulative operations effectiveness thus, reducing operational expenditures while increasing production, permitting for planned allocation of assets according to Tregoe (2017).

On an international perspective, Electronics and Telecommunication Engineering adopted cost containment techniques which it has attested to the benefits of adopting cost containment strategies as a financial performance enhancer. Electronics and Telecommunication Engineering adopted the tracking system as a cost containment technique as it used for improving overall productivity which offers better return to the entity says Kamble (2015). Wennberg (2014) highlighted that cost containment analysis is more appropriate in small to medium enterprises as it yields a better earning after these techniques have been correctly implemented, adding that there is a null relationship between operational cost containment strategies and financial performance in large organizations.

Skibniewski (2014) proponent that, the necessity to minimize operational expenditures is acceptable since it improves the market share and firm earnings. Operational cost containment strategies frequently comes at the disbursement of growth potential according to Losada (2016). Nokia Siemens Networks had adopted the cost containment strategies relying on infrastructure sharing used in mobile networking on a bid to reduce capital and operational costs hence increasing speed network transmission Namisiko and Waweru (2015). Meddoura et al (2014) and Sakwa (2015) further highlighted the main reason for infrastructure sharing in mobile operators devours to cut costs and diminish capital, precedence was made on mobile network operators only.

Namu et al (2014) and Girchuki (2014) argued, that there is positive relationship between operational cost containment strategies and financial performance, due to the increase in financial position and profitability. According to Prasad (2017), the relationship between operational cost containment strategies and financial performance will adversely affect the long run operations of the entity due to increased risks that are linked with employing cost containment strategies. The assorted findings of these previous researches have gave rise in this study to analyze the impact of operational cost containment strategies on financial performance (income and profits) of logistics companies in Zimbabwe.

Cargo Carriers International Haulers has remained facing diminishing financial performance due to economic situations affecting the nation (table 1.1) for the past four years, causing a risk to its feasibility and sustainability. The finance director observed the constant increase in expenditures without rise in the business performance of the entity according to Management conference minutes (2014) and commended the enactment of operational cost containment strategies as a mode of increasing the entity's financial performance. Following the finance director's approvals, the company enforced cost containment strategies, to reduce operational costs according to Management comments (2015). Management reports which reviewed the financial period from 2015 to 2017 indicate that financial performance devours continual diminution despite the enforcement of cost containment strategies and a deterioration in operational cost as indicated by table 1.1 below

Table 1.1 showing the performance statistics from 2014-2017 for Cargo Carriers International Haulers.

Financial Year	**2014**	**2015**	**2016**	**2017**
Revenue	1,140,523	1,096,253	1,004,945	990.976
Operational costs	1,070,651	1,007,821	941,452	929,441
Profit	**25,038**	**65,325**	**29,276**	**13,654**

Source: **Annual reports for Cargo Carriers International Haulers (2015-2017).** The above table displays the circulation trend in operational costs, revenue and retained profit for Cargo Carriers from 2014-2017. Finally, in 2017 the company faced a significant drop in profitability of about 53.36%. This drop could have been caused by some variables, however the management at Cargo Carriers are confident that it came about as a result of cost containment strategies adoption. Management has been left wondering as to why this cost control method has failed to yield for them after all the efforts they have exerted. The study seeks to analyze the impact of operational cost containment strategies on financial performance of logistics companies in Zimbabwe.

Cargo Carriers finance director mentioned the necessity to reassess the operational cost containment strategies applied so as to find out its effect on the entity's financial performance and to ascertain the revenue generation capacity of the company according to Management meeting minutes (2017). This was called for by the opinions of other administration team that the policy has led to the formation of an unconducive operating atmosphere that limits the company's capacity to produce income since the principle has affected employee welfare.

1.2 Statement of problem.

Since the implementation of cost containment strategies at Cargo Carriers International Haulers profits and revenue have drastically dropped. Since 2013 when the strategies were implemented, the profitability of Cargo Carriers has been described by a nose dive. This research aims to analyses the impact of operational cost containment strategies on the financial performance of Cargo Carriers International Haulers.

1.3 Sub research questions

- What motives are behind Cargo Carriers International Hauler's adoption of cost containment strategies?
- What operational cost containment strategies are being implemented by logistic companies?
- Which factors are affecting the successful implementation of operational cost containment strategies in logistics companies?
- What is the relationship between operational cost containment strategies and financial performance in logistics companies?

1.4 Objectives

- To determine the motives behind Cargo Carriers International Hauler's cost containment strategies adoption.
- To identify and evaluate operational cost containment strategies being implemented by logistics companies.
- To analyze the factors influencing the successful implementation of operational cost containment strategies in logistics companies.
- To ascertain the relationship between operational cost containment strategies implemented and financial performance of logistics companies.

1.5 Significance of the study

1.5.1 to the student

It is in partial fulfilment of the necessities of the Bachelor of Commerce Accounting (Honors) Degree in which the researcher is presently learning at.

1.5.2 to Midlands State University

The study enhances to the literature for fellow students who desire to make correlated studies.

1.5.3 to Cargo Carriers International Haulers

The researcher is confident that if the recommendations granted are functional they help in coming up with more operative and proficient operational cost containment strategies. It also stipulates aspects management ought to take into consideration for the successful implementation of these strategies.

1.6 Assumptions

The study is based on the assumptions that the responses from the questionnaire distributed and answers from interviews show a fair view of evidence to be obtained. There are no major changes in the nature of operations of Cargo Carriers International Haulers during the study period. Respondents are capable and knowledgeable in answering the questionnaires. Financial performance is ascribed to operational cost containment strategies, other variables are considered to influence financial performance to a less significant extent.

1.7 Delimitations of the study

The research focused on Cargo Carriers International Haulers located in Southerton Harare. The correlation between operational cost containment strategies and profitability (return on equity) is evaluated. A sample size of thirty-two respondents is used, the respondents were drawn from the finance, human resources, operations and workshop departments. A census was used and data was gathered through interviews and questionnaires. Interview respondents were nominated by way of convenience and stratified sampling. The research covers three years from July 2014 to June 2017.

1.8 Limitations of the Study

Since Cargo Carriers is a private owned company hence, it was challenging for the researcher to access confidential information relating to financial performance and operational costs of the company as it holds its confidential information and respondents had to use estimates and not exact information and figures.

Delays in the collection of data were met because the respondents had inadequate time to due to work timetables. Questionnaire responses was not obtainable the same day the questionnaires were distributed so as allow interviewees to respond on their free time.

The research was done in the final year of the study therefore attention had to be shared between modules and the research however, the researcher made use of spare time and weekends to cover up.

1.9 Definition of terms

Cost is a financial sacrifice attributed to a product or service associated with running of the organization. Mufrinya (2016) and Kwambana (2017) states that costs are expenses associated with the running of the organization. Operating Cost are expenses associated with the maintenance and administration of a business on a day to day basis according to Harvard Business School (2017).

Financial performance refers to the level to which an entity’s financial goals are being attained in a specified period of time in the form of sales and profits submits Mufrinya (2016).

Cost containment strategies are operative procedures and values for cumulative operations effectiveness thus, reducing operational expenditures while increasing production, permitting for planned allocation of assets according to Tregoe (2017). Supported by Mufrinya (2016) and Kwambana (2017) defines operational cost containment strategies as plans designed to achieve long terms goals of cost reduction or action meant to maintain expenditures without damaging the long term performance of the entity.

1.10 Summary

This chapter presented the background to the study, followed by the problem statement of the research and objectives of the study. The chapter also highlighted the research questions which need to be answered. The chapter ends by highlighting the limitations and delimitations of the study. The next chapter presents literature review.

CHAPTER 2

LITERATURE REVIEW

2.0 Introduction

In the discourse of the management tight spot of balancing cost containment and financial performance, research objectives are the main idea in this chapter. This chapter reassesses literature prepared by former academics and authors and announces fundamental terms of the research. Furthermore, the chapter seeks to expose weaknesses together with the research gap the research seeks to accomplish.

2.1 Theoretical literature review

Theoretical literature review is concerned primarily with theories or hypotheses rather than practical. The study focuses on two theories namely the Austrian economic theory and Profit maximization theory of the firm.

Austrian Economic Theory

An argument progressive in favor of a sole payer health care is the suspected ability of a sole payer to hold costs from fluctuating. According to Berdine (2017) Austrian economic theory describes why companies have failed to control or hold costs from increasing. This theory of price controls was further reviewed by an Austrian study. The theory stipulates that it is regularly predictable that healthiness care charges are growing faster than normal earnings or prices. Cost containment techniques were the major goals of the Affordable Care Act (ACA). Though the ACA ensured upturn in the total of people covered in the United States of America cost containment was unsuccessful. Arguments arose on why ACA failed to hold costs, some argued that a single payer method will thrive in monitoring costs. Austrian economic theory established that price panels miss the mark to work at that moment they effected the thoracentesis, a technique to channel surplus fluid from the pleural cosmos as a cost containment process.

This research focuses on the implementation of cost containment strategies and their relevance to the study. Single payers as a cost containment measure of the Austrian economic theory that Medicare is keen and proficient to bring costs lower than all physicians will agree to take. Once a cost containment technique have been adopted and correctly implemented it yields a positive result with the involvement of all key members to participate in the process from the beginning. Providing superiority product and services to consumers' upturns financial performance of a company, hence revenue increases also.

Profit Maximization Theory of the firm

The drive for the firm has lengthy been the subject of argument amongst researchers and business experts alike. Macdonald (2015) submits that entities exist in imperative to maximize returns for owners of the firm. Macdonald (2015) adding that a speculation that is dug in, being optimistic that profit is the objective enhancer for entrepreneurs and the shareholders of capital. This theory of profit maximization has now been widely appreciated by all entities worldwide as the major purpose why entities still exist. Baye (2014) says that standard economic theory submits that a firm exploits profits when marginal income equals marginal cost, thus for every additional product a firm sells, if the marginal income of the sale is than greater than the marginal cost of the sale, then the entity is maximizing profits. At present, stakeholder opinions contributes the discourse on the role of the entity in society. Macdonald (2015) cites that entities should be managed in the involvement of all its stakeholders.

In this study, the motive behind profit maximization theory is profit increases in a bid to increase financial performance of an entity according to Kwambana (2017), thereby attracting more interested stakeholders of the entity. Shareholders wealth increases when profits of a firm increases hence shareholder's wealth is secured. Management and employees involvement in the cost containment strategies process is very vital as management pursues to capitalize on their own value and not essentially perform as profit – maximization mediators for their doctrines hence a gain in profit is attained.

2.1.1 Drives for cost containment strategies.

Cost containment techniques idea adoption is inspired by a number of aspects which include profit maximization, increase in revenue and gaining competitive advantage over other logistics companies.

2.1.1.1 Profit maximization

Cost containment strategies stresses on the necessity to reduce costs while maximizing profit. According to Macdonald (2015), profit is revenue or returns an entity receives on or after the sale of its goods and services, after deducting the cost of manufacturing and marketing its offerings. Furthermore, Baumol and Blinder (2015) and Macdonald (2015) states that profit is when marginal income surpasses marginal expenditures. Profit maximizations is defined as the ability of companies to attain maximum earnings from operation using the minimum operational costs affirmed Hussain (2014).

Wazir et al (2016) submits companies should aim to maximize profits as it leads to economic efficiency and benefit outcome maximization. Doh (2015) noted that company's innovation leads to profit maximization as companies aim to produce high superiority products and gratify the varying needs of customers, supported by Sandberg (2014). Sharfman (2015) expressed that profit maximization in companies is as a result of well controlled and managed operational costs adding that company's obligation is to maximize profits while holding costs form fluctuation.

In addition, Shidpour et al (2014) stipulates that, with aggregating demand for modified products, thus mass customization approach as companies seeks to please customer's specific need using the cost close mass production. Satisfaction of consumers is associated to value alleged through diversity products according to Shidqour et al (2014) adding that companies will not suffer losses if their maintain their profiles in producing many products as they can. A variety of products builds product portfolio adding that as much as companies produce many products with the same function sales are guaranteed to increase thereby profits will increase to their maximum articulated Shidqour et al (2014).

The dominant objective of the entity remains profits maximization says Gordon (2014) and Jordi (2015), which is the primal driving force of the capitalist economy. Shareholder theorists stipulates the dispute that maximization of profit is some of the utmost effective and efficient way of maximizing shareholder's wealthy submits Sundaram (2014). Finally, managers of the entities play a vital role in decision making as they are responsible in achieving the core business of entities which is profit maximization says Boatright (2015).

2.1.1.2 Increase in revenue

Also Cost containment strategy stresses on sales revenue growth and limiting expenses simultaneously posts Zhou et al (2015). Revenue is the entire amount of income generated by an entity before any deductions are made. Revenue is the basis for profit generation according to Macdonald (2015). Bernard et al (2014) noted that the ability of a company to make differentiated products with low costs increases revenue. Taniguchi et al (2014) stress on the factors in logistics companies which leads to increase in revenue which include emissions, low fuel consumption and modelling of freight vehicles.

Low emission zones (LEZ) aim to stimulate cleaner vehicles operation of freight vehicles and moderate the quantity of older, additional polluting fleets operating in dominant city areas says Taniguchi et al (2014), adding that an important role have to be played in producing an atmosphere friendly, efficient and safe freight systems. Taniguchi et al (2014) added that low emission zones creates mobility, sustainability and livability hence higher chances of increasing revenue in freight industries as no interrupts happens during transportation time to the receiver of goods and services.

Taniguchi et al (2014) noted freight modelling are applied to promote in the responsibilities of predicting demand for travel and the effect of anticipated land use or carriage system changes. Freight vehicles often deliver cargo to more than one client per load as a way to maximize revenue posts Hensher (2015). Freight modelling typically commodity flows in an urban area within the framework of supply chain management according to Taniguchi et al (2014).

Taniguchi et al (2014) submits that manufacturing companies of these models of freight vehicles aims to produce vehicles with low fuel consumption in a bid to minimize operational costs for firms. Suzuki (2015) denotes that a methodology was offered to moderate emissions and fuel consumption by developing roads that reduce the distance trucks travel with weighty goods in a bid to lower operational costs and maximizing sales revenue in logistics companies. Sukuzi (2015) submits that the model led to answers where weighty items are transported early in journeys prominent to fuel reserves between 4.9% and 6.9% associated with minimum distance directions. Cost containment strategies stresses on the need to minimize operational costs simultaneously increasing revenue of firms affirmed Kwambana (2017)

2.1.1.3 Gaining competitive advantage over other firms

Competitive advantage is defined as the distinction in an aspect or feature that permits companies to please its customers successfully than others, resulting in companies building customer value and attain superior performance according to Anchor (2014) adding that for companies to attain this, they has to produce high quality products at lower costs, fast delivery and suppleness being the major priorities of competitive advantage. The advantage or gain a firm takes over its competitors defines competitive advantage according to Alhathi (2014) adding that this advantage is gained by providing customers with better services in terms of value of products and services at lower prices. Hana (2014) defines competitive advantage as the firm's competence accomplished to cut competition to reproduce currently and yet to come.

Companies seeks to defeat competition through gaining a competitive advantage over other competitors and strives to triumph customers through controlling prices of goods and services from fluctuating says Hana (2014) and Romero (2015). Castro et al (2014) submits that successful innovations of developing technology is vital as it builds and sustains the company's gain over others. Competitive advantage as a merit for cost containment strategies stresses that firms are obligated to respond effectively to changes happening in the business market in maintaining their advantage over other companies says Anchor (2014), minimizing operational costs. Shidpour et al (2014) denotes that, with aggregating demand for modified products, thus mass customization approach as companies seeks to please customer's specific need using the cost close mass production builds a gain of the firm over its competitors.

2.1.2 An analysis of operational cost containment strategies being implemented by logistics companies.

Cost containment strategies are unremarkable during economic downswings as businesses focuses on lower operating cost in order to safeguard profit margin according to Macdonald (2015). Operational cost containment strategies being implemented by logistics companies include tracking system, infrastructure sharing and downsizing to limit increasing costs of operation. Below comes the literature reassessing the merits and demerits of each cost containment technique.

2.1.2.1 Vehicle Tracking System

Vehicle tracking system is defined as the tracing of vehicles using a tracking device to assess exactly where the vehicle is at a given time according to Guido et al (2014) and Kamble (2014). Kamble (2014) adds that the notion of this tracking system is to determine the geographical place of the vehicle and conveying this data to the slightest bit located server. Kamble (2014) submits that vehicle tracking system is used commonly for refining the overall efficiency of an entity which bargains an improved profit on your savings. In addition Kamble (2014) states that for management of more job tons within a period route planning is vital both for individual and business drive. Vehicle tracking system is vital as it produces real time objects thus it provides the exact location of the vehicle at the correct time says Ali et al (2014).

Vehicle tracking improves security and safety, communication medium, monitoring of performance and this will increase productivity according to Kamble (2014). Guido et al (2014) submits that the significance of vehicle tracking system for exploration of traffic operations and safety is centered on their capacity to reproduce actual time traffic procedures at a specified location. According to Quak et al (2016) vehicle tracking system has continued to be more environmental and social significance through freight electro-mobility system installed during tracking system process adding that low fuel expenses are being incurred, environment friendly performance of fleets, less noise being produced from the truck of fleet. Nevertheless, Quak et al (2016) submits that vehicle tracking system is problematic, as manufacturers are failing to produce and provide more vehicles and failed to provide sustenance through the trader-networks. Quak et al (2016) noted that vehicle tracking system limits the capacity of load to be transported and limited accessibility of vehicles. In addition Quak et al (2016) noted that companies tends to suffer high tracking down costs and unreliable and costly after trades support. Vehicle tracking system negatively impact logistics as cheap oil prices are being offered hence cumulative energy prices articulated Quak et al (2016). The mixed literature above the study wishes to analyze vehicle tracking system as a cost containment strategy or not in logistics companies in Zimbabwe.

2.1.2.2 Infrastructure sharing

Infrastructure sharing is defined as combined utilization of network facilities by two or more mobile and logistics providers matter to the agreement identify appropriate technical and commercial circumstances according to Waweru (2015) adding that this technique focuses on sharing the same boaster or depot as a cost containment strategy. Infrastructure sharing trades can be characterized by three scopes which are business model unfolding the parties involved and their predetermined connection, geographical ideal relating to each operator's corporeal footprint and lastly technology model unfolding the technical answers says Frisanco et al (2016). Namisiko (2015) noted that infrastructure sharing diminishes capital and operational costs thereby increasing the speediness of network rollout.

Meddoura et al (2015) further highlighted that the key motive for infrastructure sharing in mobile companies has been to cut costs and minimize the requirement to build masts to retain and pinpoint their equipment. The motivating fact for infrastructure sharing in the United Kingdom was competition on their markets that led to the decline in revenues and profit margins and infrastructure sharing was familiarized as a cost saving denotes Reddy (2014). Infrastructure sharing upturns the competitive environment of the entity in the short course of business and upsurge the performance. Pereira (2014) clarified the significance of infrastructure sharing for first-hand entrants companies in network and logistics service providers and the results displays that distribution of infrastructure and technology offer sustainability in competitor's period and boost faster business growth.

Nevertheless, infrastructure sharing in logistics companies of sharing resources and depots poses challenges to the participating operators because it involves far higher, and mission-critical degree of operations maintenance aimed at shared resources according to Frisanco and Tafertshofer (2016). Kwambana (2016) argued that sharing infrastructure have the subsequent market challenges, loss of foreign investment caused by currency devaluation, governing issues could centrally tower decommissioning, revenue cost and negatively influence customers, property encounters associated with proprietorship and title deeds and high operational fee as a result augmented permitting fees, high nation fees and currency deviation.

Francois van Zyl (2016) reasoned that sharing infrastructure as a technique adopted to support logistics and network providers to withstand in business is not a cost containment strategy stating that the introduction of the technique in Nairobi network firms observed a constant conversion in costs and financial performance according to Waweru et al (2015). Waweru (2015) in addition debated the same stating that steady upturn in performance in the short course operation of the business and an unchanged performance in the long run. The mixed literature on sharing infrastructure as an operational cost containment technique demands the requisite for this study to determine whether sharing infrastructure cut costs and upturn financial performance in logistics companies in Zimbabwe.

2.1.2.3 Downsizing

Mellahi (2015) submits that downsizing is a major reduction of workforce and has enlarged validity and has turn into a widely experienced cost containment strategy supported by Baumol et al (2015). Cascio (2014) defines downsizing as the planned dismissal of jobs or jobs. Arnold and Pulicb (2015) submits that a lot of health care organizations have downscaled in current years for a range of reasons comprising cost saving and the necessity to be active restructuring the business for more operative performance. Due to limitations of cost containment, rivalry, and increasing health care expenditures, few institutions employ more than required says Arnold and Pulicb (2015). Arnold and Pulicb (2015) added that, in a downsized, top officials must advance new strategies to assist line managers at all ranks to operate efficiently.

According to Arnold and Pulicb (2015) operating with few employees than expected requires reviewing the way an entity and its departments function. By inspecting current work techniques, it is likely to develop enhanced job design, prominent to increased work efficiency and productivity adds Arnold and Pulicb (2015). A newly restructured job may need wider skills, which improve the motivational traits of job performance submits Arnold and Pulicb (2015). In addition Arnold and Pulicb (2015) states that as organizations downsize workforce managers must develop selection measures to attain quality employees. Cross-training converts even further necessary for the reason that employees may not have inflexible job descriptions reasonably they must be unsolidified at interfacing with other employees' work performance according to Arnold and Pulicb (2015) supported by Wilkins et al (2015) adding that managers must interconnect more precisely and delegate more effectively.

Downsizing is defined as a planned effort to eternally reduce workers to increase organizational efficiency and effectiveness according to Cameron (2016). Theoretical support put forward that downsizing has an optimistic influence on financial performance by reducing labor costs according to Chalos and Chen (2015). Cascio (2014) submits that reducing the number of employees and reducing labor costs will devour a positive effect on profitability, as it improves organizational efficiency, productivity and competitiveness supported by Marques and Gonzalez (2014).

However, in trying to reduce the number of workforce as a cost containment technique, increased job pressure may arise because personnel are requested to do more when their works are at present stressful enough according to Arnold and Pulicb (2015). When pressure increases on the remaining workforce increased absenteeism and turnover rates may occur in such institutions like hospitals where nurses are already in short supply says Arnold and Pulicb (2015). Wilkins et al (2015) noted that job insecurity increases as employees wonder if they will be next to be dismissed, adding that emotional state of guiltiness on the part of downsizing survivors may rise. The assorted literature of this containment strategy necessitates the need for this study to examine the impact of operational cost containment strategies on financial performance of logistics companies in Zimbabwe.

2.1.3 Factors influencing the successful implementation of cost containment strategies

Mfarinya (2016) noted that many companies have become a failure in achieving desired objectives when cost containment strategies are used. Shareholder decision have a major impact on the effective implementation of operational cost containment submits Kwambana (2017).Management and top executive commitment and employee participation in implementing cost containment strategies and ensuring the attainment of these cost cutting measures is vital affirmed Mfarinya (2016).

2.1.3.1 Shareholders decision

According to Lin et al (2014) shareholder decision is a situation when the proprietors of the entity have a choice to select among two or more likely alternatives. Shareholders decision in an organization has a major impact on the running of the business according to Ferri (2014). Kwambana (2017) submits that management make choices at managerial level and strive for expert from the owners of the entity and integrates the opinions of the owners in decision making have an extra advantage and ensuing successful execution of strategic and operational choices in an organization. Shareholders of the entity may discard or accept the choice by the management of the entity centering on its involvement to owner capital maximization according to Mansi (2015). Shareholders decision have a major impact on the decision made by management of the company denotes Hope (2014). In addition Hope (2014) noted that decisions made by management have significant impact when cost containment measures to be implemented adds value to shareholder's wealth, nevertheless if the cost containment measure to be implemented pose negative effects on shareholder's wealth there is a lesser chance of success. Indian department of Electronics and Telecommunication Engineering (2014) states that vehicle tracking system implemented in India was effective due to management and shareholders assurance to work organized stating that decision by the owners of the company to forward back bonuses in 2014 assisted the company to enforce and implement vehicle tracking system. Kwambana (2017) submits that working together as a team of management and stakeholders towards implementation of cost containment strategies will increase financial performance of the company simultaneously operational costs decreasing.

Conversely, a research done in Kenya by a Tea company shows that shareholders choice or decision do not have a direct impact on the successful implementation of cost containment techniques according to Lin et al (2014). Lin et al (2014) adds that management as the agents of the company has a direct impact on the running of the business hence they are responsible in the successful implementation of these cost containment strategies. Bohren (2015) submits that shareholders decisions contributes less to the successful implementation of cost containment strategies.

According to Roberts (2014) and Kobe (2014) argues that there is an impartial influence on the effective enactment of cost containment strategies, stating that shareholders seeks to balance between management and Board of directors outlooks. Sole shareholder decision may not affect the entity's decision since shareholders decision differ from shareholder to another leading to their decisions being compromised submits Kwambana (2017). The assorted literature on aspects that affect the effective implementation of cost containment strategies demands the need for this study to examine the extent of these factors on the implementation of operational cost containment strategies in logistics companies in Zimbabwe.

2.1.3.2 Management commitment

By definition management commitment is a process by which top executives and management in an organization participate and uphold behaviors that assist others attain an objective according to Mfarinya (2016). Management willingness to take responsibility, readiness and motivated to partake shows management commitment says Mfarinya (2016) adds. Management need to be powerfully committed to the whole cost cutting process for the successful implementation of cost containment strategies articulates Bromfield (20014). Skillful and well trained management pose a very crucial impact in the successful implementation of operational cost containment strategies leading to a more effective management team which is more committed and dedicated to their work. According to Gossy et al (2015) confirming that top management and executives are devoted in the cost control program is of importance in the success of these techniques. Management being the stewards of the organization they are accountable for setting of organizational objectives and plans as well as observing development hence their commitment is more adds Mfarinya (2016).

However, due to much commitment by management into the control program can result in giving more attention to these cost containment strategies and giving less time to other managerial duties and responsibilities submits Gasparetto (2016). Cost containment measures will be of no use if they focus more on containment and lose their customer hence failing to attain their organizational goals according to Farias (2016).

2.1.3.3 Employee involvement

As much as management is vital in the running of business, they need help from levels below them, thus the employees according to Mfarinya (2016). Cost containment strategies can be successfully implemented when employees are permitted to partake and contribute to the process says Taga et al (2014). By definition employee involvement is a practice that comprises decision making, involvement and communication with the workforces with concerns to an objective that has to be achieved submits Price (2014). Delloitte (2016) submits that for cost containment strategies to be successfully implemented they ought to be good communication between management and other employees, communicating to employees and make them understand the necessity to hold costs and feedback should be dictated so they can as well air their opinions.

Employee involvement guarantees acceptance for the objectives to be achieved and builds the need to contribute to the cost cutting hard work within the subordinates according to Frey et al (2014). Involving employees from the preliminary stages of the containment process till to the end will ensure they are not hardy to changes that are laid about by executing some cost cutting measures says Himme (2015). Above all, employees are the ones who labor for executing, that is their involvement is vital as they will be going in the correct and preferred path when applying the cost containment strategies according to Pauwels (2014).

Nevertheless, Mfarinya (2016) argued that even if employees are allowed to participate in the containment process, if the strategy to be executed impacts them adversely for example downsizing and salary cuts, they will not be keen to add positively in the cost cutting techniques implementation. Theory X of Herzberg explains lazy employees who are always demotivated and whose moral is always low thereby employee involvement is improbable to bring great results when executing cost containment strategies according to Bususu (2014).

2.1.4 The relationship between operational cost containment strategies and financial performance in logistics companies.

Cost containment strategies refers to conventional during economic slumps as industries pursue to lower operational costs in a bid to safeguard profit margins submits Macdonald (2017). Tregor (2017) defines operational cost containment strategies as effective values or methods for cumulative operational efficiency. Mfarinya (2016) defines financial performance as a measure to which a firm is exploiting its resources in order to attain its financial objectives for a specific period of time and it is measured in terms of financial position, cashflow position, profitability and financial ratios.

Preffer (2015) positively argues that downsizing as a cost containment strategy a significant optimistic relationship exist between cost curbing measures and financial performance noting that, downsizing in the long run yields an employment stability healthy work environment and improves organizational innovativeness and profitability. Previous studies for over forth companies reviews that a positive significant relationship exists between cost containment strategies and profitability according to Olugawagbemiga et al (2014). Gichuki (2014) positively sided their view noting that a significant improvement has been released for firms where cost containment techniques were applied supported by Mfarinya (2016). Namu et al

(2014) share similar views after carrying studies on three different companies in Kenya. Conclusively, they agreed that a positive correlation exists between cost containment policies and the entity's financial performance. Their study highlighted that where cost cutting measures were applied, revenue expenditure drastically declined prominent to an increase in profitability and returns.

However, Strickland (2014) argued that a negative relationship do exist between the two constants. This is for the reason that cost containment can impressively affect efficiency and quality of the company's service with an example when a firm decides to downsize key employees as a cost curbing measure. This will negatively affect the remaining workforce after the curbing measure as pressure increases yet the number of workforce is not adequate to perform the duties assigned to them hence productivity and quality will be comprised. The result will reduce customer satisfaction simultaneously revenue and profits declines according to Lewis (2015).

Mfarinya (2016) and Kwambana (2017) argued that cost containment strategies can end up affecting adversely on the financial performance of companies. Bender (2015) highlighted that strangely negative relationship exists between cost cutting techniques and financial performance in the long run. Due to increased risks associated with implementing cost containment strategies a negative relationship do arise between the two constants. In a way to try to increase profitability of an entity thereby downsizing workforce turns to demotivate remaining employees hence pose a risk on production, efficiency, effectiveness and quality. This outcome in the long run process of a firm indicates poor financial performance.

2.2 Empirical literature review

According to Mcdonald (2015) empirical literature review refers to the reassessment of previous studies or research which relate to the recent study. According to Mcdonald (2015) the scholar of thought also stated that literature view is vital because it offers valuable resources and facts. It also sets bare an over view of literature which is connected to the topic.

Fasola et al (2014) analyzed the impact of cost containment strategies on health care expenditure in all developed countries such as drug waste minimization. A research survey was conducted on all developed hospital in the world. The research covers a period of years from 2005-2009. The research made use of both primary and secondary information. Structured and unstructured questionnaires were used to gather data, they were distributed to top management. Secondary data was acquired from yearly hospital statistical books.

Descriptive statistics was castoff to test the effects of cost containment practices and correlation study was used to regulate the nature and degree of cost containment variables. Results showed that there is positive relationship between cost containment strategies and return on equity as well as return on revenue.

Appelbaum and Hung (2014) examined the impact of strategic downsizing as a cost curbing technique identifying the relationship between financial performance and cost containment measures. The research covered a period of six years from 1999-2004. Questionnaires were used to acquire data among the companies in Canada, resulting in a total number of 127 data responses being obtained, then arithmetical report was used to test the hypotheses. Results attested that, once cost containment strategies have been implemented they pose a positive impact to the financial performance of an entity.

Gerkens et al (2014) studied the relationship between biosimilars efficiency as the next tool to guarantee cost containment for pharmaceutical expenditure paying specific attention to cost containment strategies and financial performance of thirty European pharmacies. Researchers obtained financial statements of the European pharmacies and secondary data was used in the case study. The research covered three years from 2005-2007. A cross sectional variable model was used to examine the data. Feedback forms were given to pharmacists as a result sixty questionnaires were distributed and 75% agreed that biosimilars are effective cost containment measures to reduce pharmaceutical expenditures.

Navarira et al (2015) assessed the impact of cost containment strategies adoption on financial performance, identifying the relationship between drug expenditure and profitability in Italy. Questionnaires were used to gather data among entities in Italy, statistical analysis was used to test hypotheses. In total 350 data responses were obtained. Resulted unveiled that, once cost containment strategies have been adopted and implemented in any kind of business or scale of the sale of the firm operational performance increases. Conversely, for individual elements of cost containment strategies, their influences are different, some plain elements of cost containment strategies like reduction in employee related benefits can play more notable role than other elements.

Berdine (2017) evaluated the relationship between cost containment strategies, operational performance and hospital or clinic performance as a concern focusing on lowering health care costs in United States of America. Data was collected from hospitals and clinics in U.S.A. The model was assessed using a structured equation modelling methodology. The results showed that a positive relationship between operational performance and the financial performance of the hospital is successfully influenced by better health performance of the hospital. The study also unveiled that a positive relationship between cost containment strategies and operational performance of hospitals.

McWilliams (2016) examined the relationship between cost management particularly cost containment strategies and health performance in United States. Secondary data was attained from the yearly financial statements of hospitals in U.S. Simple and multi linear regression models were used to study the collected data. Results presented that there was a positive relationship between cost management and the performance of hospitals in U.S. The research settled that there are two qualities in cost management decisions of hospital from the viewpoint of third parties these good health service and low drug prices.

In another research the impact of operational techniques on ratios of profitability was assessed by Figar and Ivanovic (2015) as it was done by manufacturing company BMW in United States. The study submitted that no constant relationship exists between ratios of profitability and equity ratios when operational advances such as cost containment are being taken into consideration. It is hard to separate a solely operational technique from other companies activities like cost management. Hence ratios of profitability could not be the appropriate measures to govern the influence of cost containment strategies on financial performance of an entity.

Lo et al (2014) researched on the financial performance of manufacturing companies in China during 2008-2009 where inflation was rapidly increasing as well as higher operational charges. Correlation and regression analysis approaches were used, showing a positive correlation relationship between cost containment techniques and financial performance. Secondary data was obtained the annual financial statements of the manufacturing companies in China. The study concluded that good cost management team contributes positively to the financial performance of an entity.

Goldberg et al (2015) analyzed a research on the influence of cost containment measures on financial performance of Norwood hospital in United States. Statistical data shows that the research covered threes from 2010-2012. In a bid to come up with results primary data was used to evaluate if a relationship existed between the two constants. Results showed that a positive relationship exists between cost containment adoption and financial performance of an entity. The study further unveiled the merits of cost containment strategies adoption which includes low drug costs, sales growth and profit maximization when these strategies are correctly implemented.

Berdine (2017) focused on the relationship between capital intensity, financial performance of an entity and cost containment measures in favor of hospitals in Austria. A sample of 105 hospital institutions was taken covering a period of four years from 2011-2014. Statistical results showed that correlation and regression analysis techniques were used resulting in a positive association with financial performance of an entity. The study in addition highlighted that a positive relationship exists between cost containment and capital intensity.

2.3 The research or study gap

A positive relationship exists between cost containment strategies and profit maximization according to McWilliams (2016).In other point of view Waugh et al (2014) argued that cost containment measures benefit manufacturing companies compared to other trades. Navaria et al (2015) submits that cost containment strategies are more helpful in hospital institutions as compared to other institutions.

According to Fasola et al (2014) many researches on cost containment techniques focused on hospital and manufacturing institutions in determining the relationship between operational cost containment strategies and financial performance. Up to date, no specific research has studied on the significance of operational cost containment strategies on financial performance of logistics companies in Zimbabwe. The researcher in this study seeks to fulfill this knowledge gap.

2.4 Chapter summary

In this chapter under theoretical review, the Austrian economic theory and the profit maximization theory were taken into consideration. The chapter goes on to give definition of cost containment strategies. The chapter also covered the key drives for cost containment strategies, operational cost containment strategies being implemented in logistics companies, factors influencing the successful implementation of these containment strategies and analyzing the relationship between operational cost containment strategies and financial performance. The above researches provides us the decisions of those scholars already accompanied on similar topics for different entities, trades and nations from diverse aspects. Chapter three comes up next with the research methodology.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

Khan and Raeside (2014) alludes that significance to opt for and following an applicable research approach or procedure for research is to confirm that results from the research can be universal. By definition research methodology is the way by which original information is converted to confirmatory information as the end result according to Kwambana (2017). This chapter focuses on methods used, advantages and drawbacks of data collection techniques employed, research strategy, sampling techniques and population used in the study, concluding with the chapter summary.

3.1 Research Design

By definition research design or strategy refers to the logical methods, processes and strategies established by the researcher to examine a specific constrain submits Kollbaek (2014). Gupta (2014) submits that a research design stipulates the presentation in which a study has to be carried out, in a bid to obtain answers and solutions to questions the researcher seeks for evidence. Creswell (2014) states that research design or strategy is a planned idea the researcher carries out in seeking for evidence in answering research questions. Research design is branded into three broad classes namely the mixed, qualitative and quantitative approaches according to Carmone (2015). This research embraced the mixed approach.

3.1.1 Mixed approach

The research used the combined approach in the study getting rid of the demerits of using one approach and rise consistency of data according to James (2014). An exploration of both qualitative information attained from interviews and quantitative statistical data in the financial statements of Cargo Carriers International Haulers was vital in analyzing the impact of operational cost containment strategies. In determining the relationship between operational cost containment strategies being the independent variable and financial performance being the dependent variable the research used the regression analysis.

3.1.2 Descriptive research design

Mufrinya (2016) defines descriptive research design as a technique used to depict and summaries respondents in a precise way. Kwambana (2017) noted that descriptive design is a method that incorporates both qualitative and quantitative approaches of collecting data. Descriptive research it is all about unfolding the respondents of a research. Babbie (2014) alludes that the collective application of both qualitative and quantitative approach used by descriptive research design makes it more applicable and appropriate research design strategy because the demerits of one approach is resolved by using the other approach thus the combined approach or the mixed approach.

3.1.2.1 Merits of Descriptive research design

Descriptive approach focus more on recent information acquired from interviews being its major strength according to Cohen et al (2013). Aggrarwal (2014) alluded that descriptive research design is flexible as it provides both quantitative and qualitative data through the use of statistical data and interviews.

3.1.2.2 Demerits of Descriptive research design

According Noble and Bestley (2013) qualitative approach is irresistible as it requires interviews and observations adding that it is time consuming. Saunders and Lewis (2015) submits that respondents may possibly giving evidence that the assessor wants to hear leading to wrong information being obtained by the interviewer.

3.1.2.3 Justification for using Descriptive research design

This research used descriptive research design because it makes use of primary data and it focuses more on interviews as it seeks to acquire first-hand information submits Macdonald (2015).

3.1.3 Case study research design

Rose et al (2015) defines case study as method that provides a factual life cycle analysis of an entity's developmental tendencies through the respondents' idea. It provides facts explicitly for a single company according to Rose et al (2015), and in this study Cargo Carriers International Haulers was used as the case company to analyze the impact of operational cost containment strategies on financial performance of logistics companies in Zimbabwe.

3.1.3.1 Merits of Case study research design

According to Bryman (2012) case study research design is regarded as the most suitable and well-organized research design stating that respondents offer first-hand data at lower prices in a short space of time.

3.1.3.2 Demerits of Case study research design

Companies suffer inherent risks which are inevitable by nature and these risks vary from one organization to another in the same industry thereby leading to biased information obtained from a single company.

3.1.3.3 Justification of Case Study Approach

This study adopted the case study method as it saves time and outlines a clear picture of the event understudy such that meaningful results can be shown as stated by Thi (2014)

3.2 Study Population

Kwambana (2017) states that research population is a sample component derived from a general set of components. Choy (2014) noted that target population is the precise number of people from which information the researcher requires is attained. Mufrinya (2016) submits that the population is a board group as of which the researcher can instance individuals in which the researcher will be concerned in obtaining specific information and be able to come up with conclusions. Forty-five Cargo Carriers and Sabot Group Limited staff members are used in this study as the target population, comprising of every compatriot of operational cost containment strategies at the organization.

3.2.1 Justification of study population

Data was acquired from accountants, finance managers, operations personnel, production managers, workshop managers and workshop staff, as they hold knowledge pertaining to this study.

3.3 Sample and Sampling Techniques

3.3.1 Sampling

Sampling refers to a portion the aggregate target population whose outcomes symbolizes the aggregate population, whose answers signify the entire population according to Koltay (2017). Scott (2014) defines sampling as a practice of illustrating or selecting up a smaller section from the entire population obtainable for interviews and observations. Sampling is grouped into convenience sampling, cluster sampling, random sampling and lastly stratified sampling says Creswell (2014). The researcher adopted the convenience and stratified sampling techniques in obtaining information.

3.3.1.1 Convenience Sampling

Convenience sampling takes into consideration anyone who is accessible during the time the researcher carries out the interviews and observation submits Choy (2014). Creswell (2014) defines stratified sampling as the applied technique that comprises a range of persons that is the management, overseers and low level subordinates.

Merits of Convenience sampling

Convenience sampling takes into consideration interviewees who are available at the time when the interviews are being carried out according to Choy (2014). Adding that it is the most convenient technique to use as it encompasses respondents who are available at the time of carrying out the interviews and there is an easy way of accessing information submits Choy (2014).

Demerits of Convenience sampling

Convenience sampling doesn't consider other respondents who will not be available at the time interviews are being carried out alluded Choy (2014). Adequate information may not be obtained since other interviewees will not be available adds Choy (2014).

Justification for using Convenience sampling

The researcher used convenience sampling since some drivers, internal auditor and other foremen were not available at the organization as they were doing business in other depots of Sabot Group Limited and the student found it more appropriate to use the convenience sampling to obtain adequate data for the study.

3.3.1.2 Stratified Sampling

Creswell (2014) defines stratified sampling as the applied technique that comprises a range of persons that is the management, overseers and low level subordinates.

Merits of Stratified Sampling

Creswell (2014) submits that stratified sampling encompasses both management and low level workforce in obtaining sufficient evidence to arise with meaningful results in the research. Both involvement of management and employees adds value as more sufficient information is acquired affirmed Creswell (2014).

Demerits of Stratified Sampling

Stratified sampling tends to provide distorted information as some interviewees might not be knowledgeable to the questions being asked by the interviewer, according to Creswell (2014). It is also time consuming to encompass both management and other employees in the interviews, submits Creswell (2014).

Justification of Stratified Sampling

This research made use of the stratified sampling as it takes into account all levels of workforce including management and low level employees thereby attaining adequate and sufficient research evidence according to Creswell (2014).

From a forty-five member targeted population size available only the thirty-two members were nominated from the population proportion. Sampling size above 55% is viewed as significant and sufficient for decision making, assessments, evaluating and ultimate, says Mitchel (2014).

Table 3.1 illustration of the sample size used in collection of data.

Partakers	**Target Population**	**Sample size**	**Aggregate %**
Group Finance Director of Sabot	1	1	100%
Finance Manager	1	1	100%
HR Manager	1	1	100%
Accountant	1	1	100%
Assistant Accountant	1	1	100%
Internal Auditors	2	1	50%
Operations Managers	1	1	100%
Workshop Managers	1	1	100%
Operations Foremen	4	2	50%

Workshop Foremen	3	2	67%
Drivers	6	4	67%
Mechanical workers	7	4	57%
Operations workers	9	7	78%
Workshop workers	7	5	71%
Grand Total	**32**	**32**	**71%**

Source: Prime Source

Validation of the sampling population

The illustration above denotes that the sample is above 55% resulting in a 71% meaning a fair and true position of the organization is being reflected on the impact of operational cost containment strategies on sales revenue and profitability Mitchel (2014).

3.4 Types of Data

Data is unprocessed information or semi-finished information according to Kwambana (2017). Data sources comes in two forms namely primary and secondary. The researcher took into account both sources for the purpose of drawing important conclusions in this study.

3.4.1 Source of Primary Data

Primary data is defined as first hand informed attained from the core source or the research population says Taylor et al (2015). Koltay (2017) postulates that primary data is straightly acquired from the target population.

3.4.1.1 Advantages of primary data

Rowley (2014) and Taylor et al (2015) denotes that primary data being the best substantial data collection technique since it makes use of the original data from the source. Coles et al (2014) stipulates that original first-hand information or data is vital to the study as it is delivered directly by the research or target population hence it is consistent as it is known as an answer definitely to the problem under analysis.

3.4.1.2 Limitations of primary data

Babbie (2014) argued that primary data is more expensive to attain and time consuming. Yang and Banamah (2014) postulates that primary data if not properly conducted it leads to biased results. Inherent nature of reviews may result in misleading information as primary data is obtained according to Tinigachi (2015).

3.4.2 Secondary Data

Jalil (2014) defines secondary data as information at present obtainable in a firm formulated or used for determinations not exactly for the present study problem. Simoulin (2017) states that secondary data is data acquired for other aims not for the current study. Secondary data sources includes studies by other scholars for their specific reasons says Tyner (2015). This study made reference to Cargo Carriers International Haulers annual financial statements, books journals, management board meetings and periodicals.

3.4.2.1 Merits of Secondary Data

Secondary data reduces costs and is time effective as data is presently accessible according to Babbie (2014). Accessible and available information provides proof of existence of the problem and traces where it originated from says Choy (2014).

3.4.2.2 Limitations of Secondary Data

Secondary data turns to be outdated, privacy notion by most entities and distortion of financial statements by the board and accountants submits Choy (2014). Salaga (2017) submits that, the researcher absences control above the value of information obtained, it possibly will have been offered in a way that could not be well-matched with the requirements of the existing study.

3.5 Research Instruments

These are tools used to gather processed, semi-processed and unprocessed information such as questionnaires and test interviews according to Babbie (2014) and Tyler (2015). This study made use of both interviews and questionnaires.

3.5.1 Questionnaires

Questionnaires are defined as structure of associated open and locked questions for which respondents on the population size are being requested to offer answers affirmed Rowley (2014). Scott (2015) states that a questionnaire is a deed encompassing a range of correlated questions to be replied in association to the research being carried, so as to regulate the influence of a variable under research. The study is based on questions relating to the study subject. The researcher made use of the likert scale, open and closed questions.

3.5.1.1 Benefits of questionnaires

Questionnaires brings about ample time for respondents to respond to all they are knowledgeable pertaining the current study, adding that there is dismissal of bias as questionnaires are directed to a respondent and they respond without the influence of the researcher as they questionnaires as not face-to-face interviews according to Armstrong and Taylor (2014) and Rowley (2014).

3.5.1.2 Demerits of questionnaires

Koltay (2017) argued that if respondents do not strive for clarity in matters they are not sure of, information delivered may be biased. Choy (2014 denotes that it is a time consuming technique to use questionnaires adding that questionnaires have inherent limitations of lack of participation by organizational members. Yang (2015) states that preparation of a questionnaire which takes into account all study features requires plentiful time and attentive considerations, also study of how the survey will be appraised should be arranged during the strategy phase.

3.5.1.3 Justification of questionnaires

Questionnaires offered respondents with plentiful time to reply the questions and reassess their answers, bias was also circumvented as the partakers delivered answers without the presence of the researcher.

3.5.2 Interviews

Choy (2014) and Babbie (2014) defines an interview as a vertical two way communication between the assessor and the respondent conferring research question, enquiring clarity and explanation and offering complete qualitative information adding that the interviewer to gets rid of hidden and confidential information through this process. This research made use of pre-set questions to collect and gather information on operational cost containment strategies.

3.5.2.1 Merits of interviews

Brinkmann (2014) submits that interviews facilitates the expression of evidence required on the impact of subordinates on factors that successfully influence operational cost containment strategies. The non-verbal cues in interviews tends to offer information from interviewees on confidential issues according to Simoulin (2017). Salaga (2017) postulates that interviews consume less time compared to questionnaires. Creswell (2014) submits that interviews offer flexibility and gives opportunity for personal inspiration to encourage respondents to air more of their approaches and intentions.

3.5.2.2 Disadvantages of interviews

Biased information may be obtained since interviewee is not given adequate time to ascertain the order of the problem submits Brinkmann (2014) and the interviewer interviewed different departments in an organization thus the human resources department, finance department, operations and workshop department leading to more interviews being done in short space of time leading to errors and bias of information. Harulombos (2014) argued that interviews are not cost effective as it requires transport costs and airtime to call respondents in conducting the interview.

3.5.2.3 Justification of interviews

This study took the motive of personal inspiration of the researcher to motivate staff to explain more on matters that were associated to the research topic through interview questions. Managing of time was prioritized through the use of interviews as compared to questionnaires. The use of body language by the respondents' added value to the information acquired.

3.6 Types of questions

Interview questions comes in two forms that the researcher can embrace in collecting and attaining data thus, the structured questions and non-structured questions. The researcher took into account both types of questions in collecting data.

3.6.1 Structured questions

Segal (2014) submits that structured or closed questions are defined as questions which are easily noticed by the limited responses prescribed by the interviewer, they are also referred to as scale questions. According to Saunders et al (2015) closed questions are questions which do not require explanations.

3.6.1.1 Benefits of using structured questions

Saunders et al (2015) submits that structured questions ensure easy analysis of information acquired by the scholar. Coles et al (2014) affirmed that closed questions are cost effective as they save funds and are easier and quicker for interviewees to answer.

3.6.1.2 Demerits of structured questions

Macdonald (2015) argued that answers attained using closed questions absences clarity since interviewees cannot offer additional information to their answers. Salaga (2017) denotes that the facility of a convenient list conceals some respondents from evaluating the matter before ticking.

3.6.2 Non-structured questions

Non-structured questions are those questions that enables the interviewees express themselves in their own words submits Tinigachi (2015). Macdonald (2015) postulates that they give room for explanations to respondents.

3.6.2.1 Merits of non-structured questions

According to Yang (2014) these types of questions requires respondents to clarify and explain their answers. Tyner (2015) denotes that open questions offers unrestrained consistent data if respondents can speedily apprehend the stresses of the questions.

3.6.2.2 Demerits of non-structured questions

Saunders et al (2015) argued that open questions result in the obtainment of irrelevant information if questions re misunderstood. Tyler (2014) submits ample time is needed in giving answers adding that these questions happens to have the absence statistical concerns required to the base statistical concerns.

3.6.3 Likert Scale

Taylor (2014) states that likert scale is a psychometric measure used in a survey to decide the dimension of being in accord or not. Koltay (2017) submits that the likert scale illustrates the level of being in agreement with concept, the answers that were achieved were clustered to give significant explanation.

Table 3.2 Likert Scale

Attitude	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Measure	**5**	**4**	**3**	**2**	**1**

Source: Brinkman (2014)

Justification of the likerk scale

The above table demonstrates a diversity of options that the respondents answered to express their outlooks on a particular suggested question and answer offered.

3.6.3.1 Merits of using the Likert Scale

According to Brinkmann (2014) the likert scale is not a refined method used to obtain and gather data on several matters at once. The likert scale is easily understood since answers are shown in a tabular form Kozlowski (2013).

3.6.3.2 Disadvantages of using the Likert Scale

Kozlowski (2013) argued that respondents may be unsuccessful to differentiate the degree of the answer such as agree and strongly disagree, as they considerably have a alike significance, hence its subjective.

3.7 Data validity and reliability

Validity and reliability is defined as study tools used to quantify research data according to Tyler (2012). Margan (2017) alludes that these are components of measure used in assessing many instruments used to minimalize faults and bias by the researcher.

3.7.1 Validity

Haralombos (2014) postulates that validity takes into account the truthfulness of the study model implemented in a study. The actual aspect of information and the opinions of the population size are replicated by data validity. Margan (2017) submits that validity is the level to which research tools are used in gathering data as premeditated.

3.7.2 Reliability

Colen et al (2014) defines reliability as the degree of excellence and dependability of research tools in coming up with applicable study results. Mcdonald (2015) stipulates that the ability of a study ideal to yield compatible results once used in a comparable case, thus to lessen errors and bias is defined as reliability.

3.7.3 Confirming validity and reliability

Ample time was a major issue to respondents to respond to the questions being asked such that questionnaires were delivered in hand on time. Questionnaire questions were prepared in a way that they were so precise such that respondents could easily understood and attract evidence only significant to the research. To certify content reliability and validity the researcher furthermore required opinions from experts.

3.8 Data collection procedure

Information used in this study was acquired from Cargo Carriers International Haulers head office situated along Willowvale road in Southerton Harare. There were no hardships in gathering data as the researcher was once an intern at the organization. Ample time was a necessity to employees as they already have other duties to perform hence the questionnaires that were delivered were not collected on the same data. Appointments were established through the receptionist at Cargo Carriers for interviews. Interviews were done through a two way communication on a face-to-face basis. Statistical data was attained from the accounting department relating to quarterly profits, equity value for the years in reassessment.

3.9 Presentation of Data

Simoulin (2017) submits that for information to be more meaningful it should be rationally considered with the aid of graphs, pie charts and tables. This study used graphs, pie charts, pictures and tables to present data of the respondents. Microsoft excel and publisher were used in crafting the diagrams presented.

3.9.1 Merits of data presentation

Tinigachi (2015) postulates that data presentation through the use of graphs and pie charts becomes easy to understand. Margan (2017) denotes that the use of pictures in presenting data improves efficiency in presenting collected information.

3.9.2 Demerits of data presentation

Through the use of abbreviations and codes the message being transmitted may be difficult to interpret to the reader if they are not familiar to those abbreviations and codes Coles et al (2014). This then affects the degree of understanding of the reader if the abbreviations and codes are misinterpreted.

3.10 Ethical Consideration

The study was conducted in a professional way, with a major priority of confidentiality of information and the research did not made mention of names and position of those that provided data for this study. The research made use a free will strategy especially in the operation and workshop department, with the mandate of maintaining professionalism.

3.11 Data Analysis

Brink (2014) denotes that data analysis is a method of dividing information to sort it more comprehensible to users of the information. Salaga (2017) defines data analysis as the consistent procedure of collected information in a practical format which evidently answer study questions. Questionnaires have been organized uniformly rendering to answers to make conclusions. Collected data was evaluated, results were inscribed down centering on the population size.

3.12 Linear regression model

Y = a + bx

Y = Observation

A = fixed factor (operational cost containment technique)

Bx = Variable factor (financial performance in terms of profitability ratio R.O.E)

Cost containment strategies philosophy is measured by the profit before tax and interest over equity.

$$\textbf{Return on Equity} = \frac{\textbf{Profit before interest and tax}}{\textbf{Equity}} \mathbf{* 100}$$

3.13 Summary

Focus in this chapter was on research techniques adopted by the study and dialogue of other study methods and tools. The chapter further outlined the manner data was going to collected, evaluated and presented. Analysis and presentation of data proceeds in chapter four.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.0 Introduction

The chapter's focal point is the presentation, analysis and interpretation of the field study data collected at Cargo Carriers International Haulers through dialogues, questionnaires and appraisal of secondary data. The chapter goes on to address study objectives and answers to the research questions were provided. Graphs, tables and pie charts were used in presenting the raw data that it maybe be more understandable.

4.1 Primary data

4.1.1 Questionnaire response rates

Thirty-two questionnaires were distributed to the respondents. Of the thirty-two questionnaires which were forwarded only twenty-four responded and the data that was acquired was presented in this chapter.

Table 4.1 Questionnaire response rate

Partakers	Disseminated	Responded to	Response Rate
Group finance director	**1**	**1**	**100%**
Finance Manager	**1**	**1**	**100%**
HR Manager	**1**	**1**	**100%**
Accountant	**1**	**1**	**100%**
Assistant Accountant	**1**	**1**	**100%**
Internal Auditors	**1**	**1**	**100%**
Operational Managers	**1**	**1**	**100%**
Workshop Managers	**1**	**1**	**100%**
Operations Foremen	**2**	**1**	**50%**

Workshop Foremen	**2**	**2**	**100%**
Drivers	**4**	**3**	**75%**
Mechanical workers	**4**	**2**	**50%**
Operations workers	**7**	**4**	**57%**
Workshop workers	**5**	**4**	**80%**
Total	***32***	***24***	***75%***

Table 4.1 above illustrates that out of the thirty-two questionnaires distributed, twenty-four members responded to the questions. 100% for finance department, human resources, operations managers, workshop managers and workshop foremen, 80% for workshop workers, 75% for drivers, 57% for operations workers and 50% for mechanical workers and operations foremen, an overall total of 75% response rate was acquired as indicated in the table. According to Mitchel and Jolly (2015) 55% is an excellent response rate, therefore seventy-five percent response rate achieved from the field study qualifies the data to be satisfactory, and improves validity and reliability of data.

4.1.2 Interview Response Rate

The management of Cargo Carriers being the key participants of operational cost containment strategies were interviewed as they are the initiators of the techniques. The drive for these interviews was to take account of all information essential for concluding and adding reliability to data acquired through questionnaires.

Table 4.2 Interview Response Rate

Partakers	**Arranged**	**Conducted**	**Response Rate**
Finance Director	1	1	100%
Group Accountant	1	1	100%
Internal Auditor	1	1	100%
Aggregate	3	3	100%

Source: Primary Data

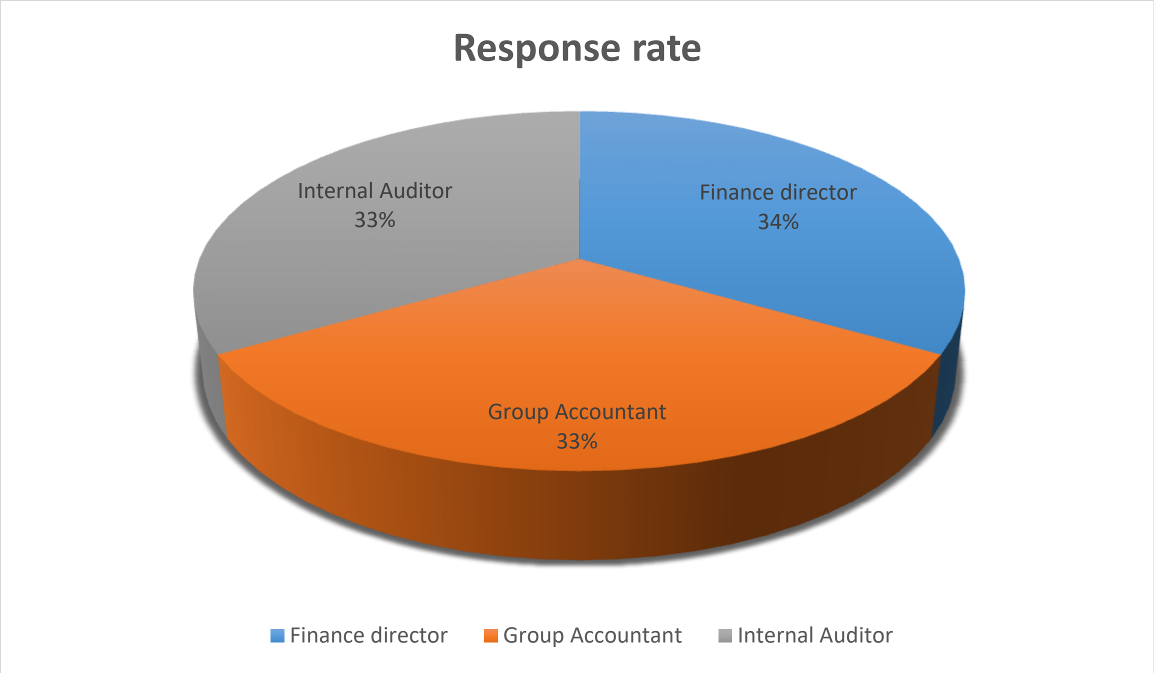

Fig 4.1 Interview Response Rate

A 100% response rate was attained as all the three management members were interviewed, although the finance director and the senior internal auditor were interviewed via emails.

4.1.3 Background information

Table 4.3 Work experience

Years of Employment	**0-1 Year**	**2-4 Years**	**5-8 Years**	**9-10 Years**	**More than 10Years**	**Total**
Number of respondents	3	4	13	3	3	*24*
Percentage	12.5%	16.7%	54.2%	12.5%	12.5%	*100%*

Source: Primary data

Table 4.3 above illustrates that the mode 54% of the respondents (13/24) have been at Cargo Carriers for five to eight years. Three of the twenty-four respondents (13%) have been employed at Cargo Carriers for less than a year. The same percentile is for the employees that have been at Cargo Carriers for nine up to ten years and for more than ten years. Of the twenty-four respondents, four have been employed at Cargo Carriers for two up four years.

Taking from a perceptive of the mode justification by Kothari (2014), a vast number of the respondents fall between five to eight years. Responses from workers with work experience of five to eight years are expected to be consistent and reliable for the reason that most of the workers have experienced the variations brought by cost containment strategies since they have countersigned the implementation of the techniques.

Table 4.4 Educational qualifications

Academic Level	Masters	Degree	Diploma	O and A level	Aggregate
Respondents	3	6	8	7	24
Percentage	13%	25%	33%	29%	100%

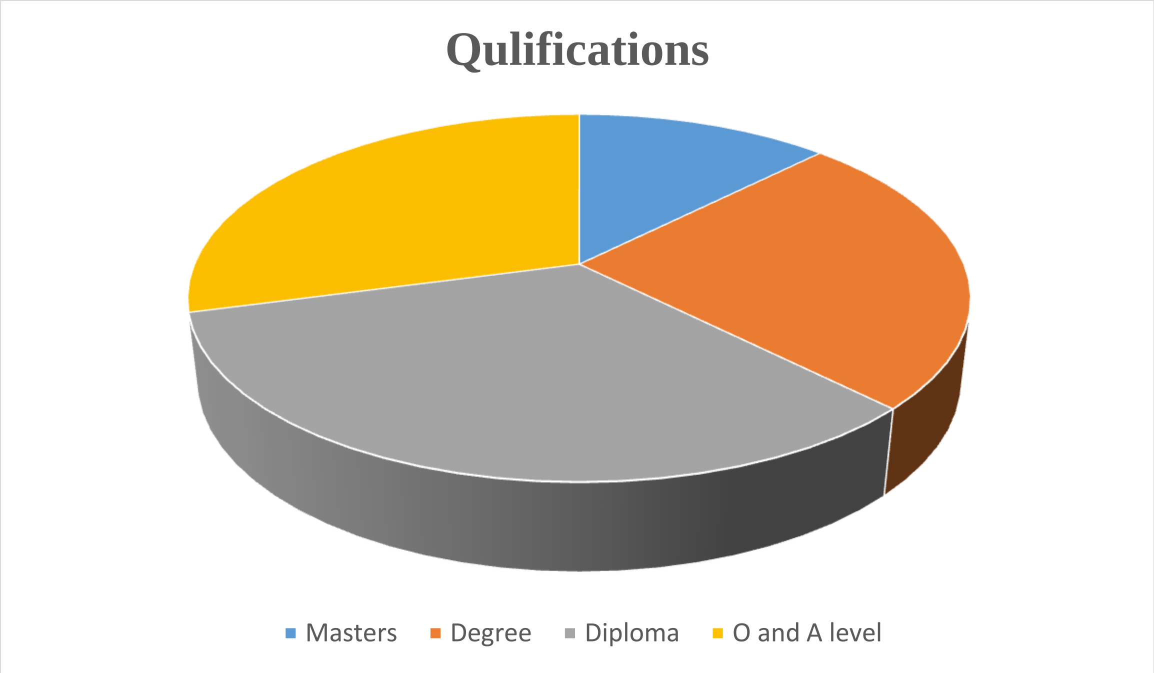

Figure 4.2 Employee qualifications

Source: Primary data

Figure 4.1 above shows that the highest number of the respondents (8/24) are diploma holders. The company consist of a huge sector of employees with Advanced level and Ordinary level qualifications (7/24), as the company majors on general hand duties and requires general hand employees. The class which follows is (6/24), this group encompasses of degree holders. The class with the minimum number of respondents is the sector of master degree holders (3/24), and the majority of the people in this group are at the top managerial levels. The degree of literacy obtainable in the above figures offers an assurance that the respondents could comprehend the distributed questionnaires.

4.2 Motives behind the adoption of operational cost containment strategies at Cargo Carriers International Haulers.

The researcher analyzed the results attained on profit maximization, increase in revenue and a gain in competitive advantage as the drives for cost containment strategies at Cargo Carriers.

4.2.1 Profit Maximization

The study question aims to determine whether profit maximization is a drive for operational cost containment strategies in logistics companies in Zimbabwe or not. Below is the outcome attained from twenty-four questionnaires received from the organization in a likert scale model.

Table 4.5 Profit maximization as a motive for operational cost containment strategies.

	Strongly agree	Agree	Neutral	Strongly agree	Disagree	Total
Number of respondents	10	12	2	0	0	24
Percentiles	39.75%	50%	10.25%	0%	0%	100%

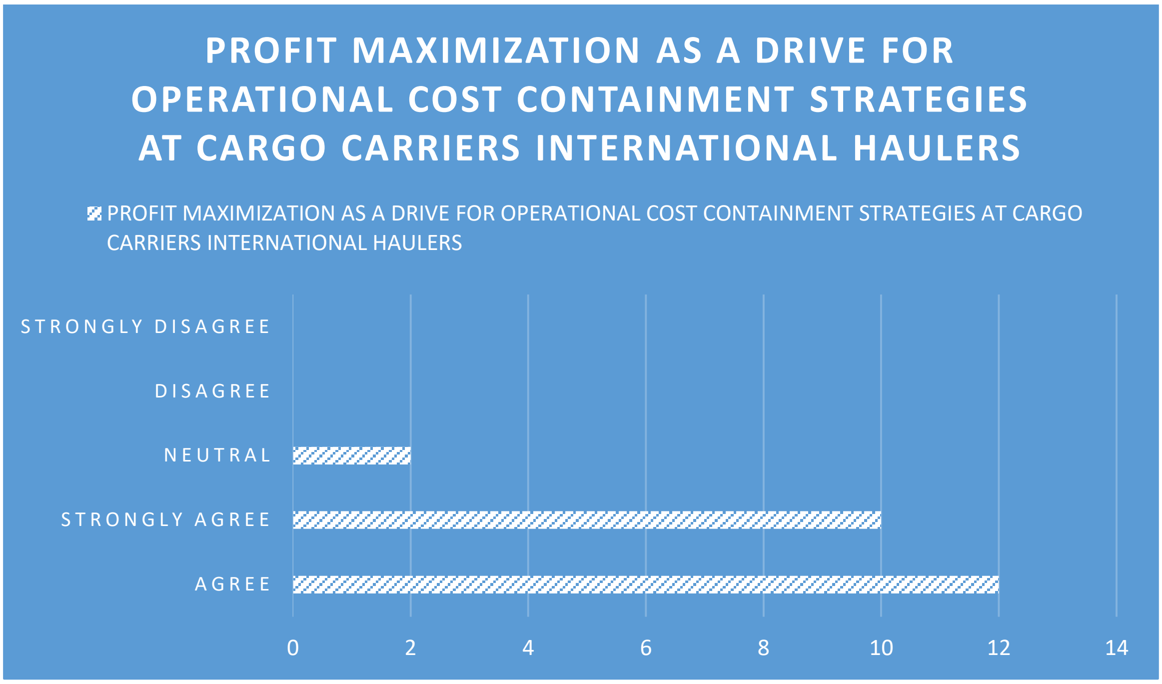

Fig 4.3 Profit maximization as a motive for operational cost containment strategies.

The graph illustrates that, 10/24 (39.75%) strongly agreed that profit maximization is a motive for operational cost containment strategies in logistics companies. 12/16 (50%) agreed that profit maximization is a drive for operational cost containment strategies and 2/24 (10.25%) are indecisive whether it is a motive for operational cost containment strategies or not. In total, 89.75% agreed that profit maximization as a result of providing high quality services, fulfil the varying desires of customer and customer sovereignty as a drive for operational cost containment strategies at Cargo Carriers, being in line with the views of Doh (2015) who agreed that well controlled and managed operational costs as companies are ought to maximize profits while holding costs from increasing in Italy drug companies. Of the twenty-four respondents two neutrally argued that profit maximization is not a motive for operational cost containment strategies noting that other factors shareholder's involvement and participation leads to effective curbing strategies in developing nations according to Sundaram (2014).

Nevertheless, 0% argue against the reason that profit maximization is a drive for curbing costs. 12/16 being the modal class agreed that profit maximization is a drive for operational cost containment strategies at Cargo Carriers International Haulers, basing on the outcomes attained from various departments of the organization, the research reassessed that profit maximization at Cargo Carriers is a motive for operational cost containment strategies in logistics companies.

4.2.2 Increase in Revenue

This question aims to determine whether increase in revenue is a motive for operational cost containment strategies or not in logistics companies in Zimbabwe. Below is the amalgamation from the twenty four questionnaire responses from different Cargo Carriers staff illustrated in a likert scale model.

Table 4.6 Increase in revenue as a motive for operational cost containment strategies at Cargo Carriers.

	Strongly agree	Agree	Neutral	Strongly agree	Disagree	Total

Number of respondents	**13**	**8**	**1**	**1**	**1**	**24**

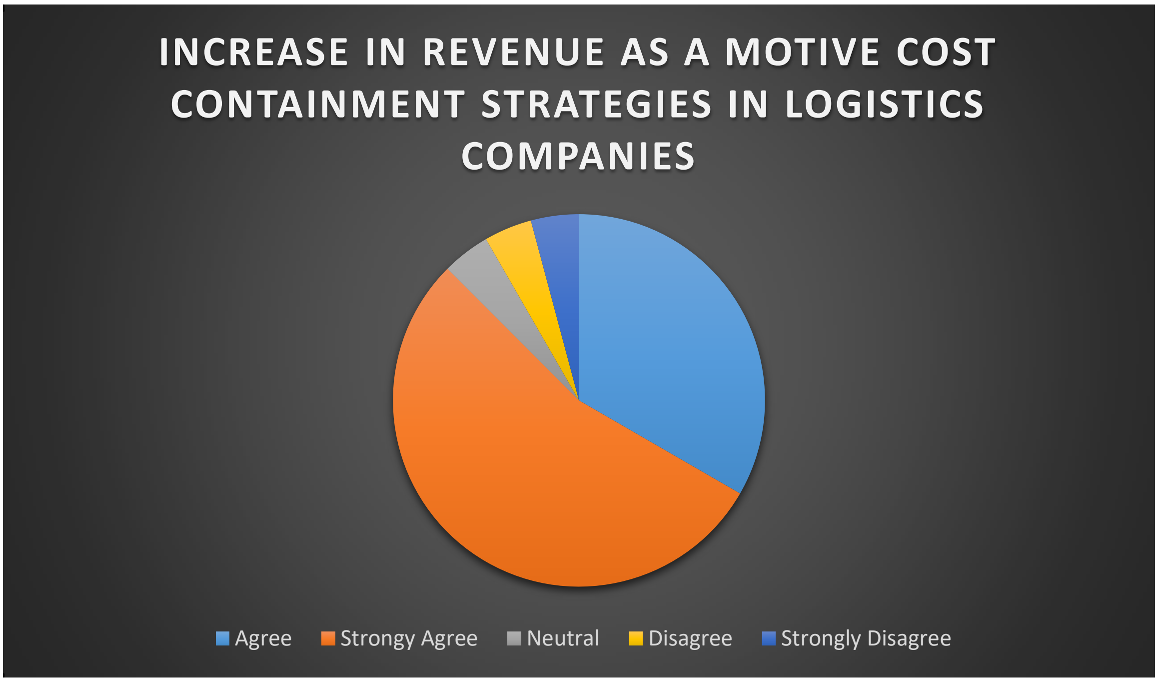

Fig 4.4 Increase in revenue as a motive for operational cost containment strategies at Cargo Carriers.

The above chart shows that 13/24 (54.17%) strongly agreed that increase in revenue is a drive for operational cost containment strategies in logistics companies in Zimbabwe. According to Taniguchi et al (2014) logistics companies aim to produce vehicles with low fuel consumption in a bid to minimize operational costs for firms. 8/24 (33.33%) agree that increase in revenue is a drive for operational cost containment strategies. 1/24 unresponsive on the point that increase in revenue is a drive for operational cost containment strategies noting that the ability of a company to provide differentiated services with low costs leads to better attainment of organizational goals in curbing costs cites Bernard et al (2014). 1/24 strongly disagree and 1/24 disagree the point that increase in revenue is a drive for operational cost containment strategies, as the positive impact is not seen mainly by low level employees says Sukuzi (2015). On aggregate 87.49% agreed that increase in revenue is a drive for operational cost containment at Cargo Carriers. The modal class 13/24 states that increase in revenue by low fuel consumption trucks, low servicing costs of vehicles and low emission zones is a drive for operational cost containment strategies. Basing with the above results, the research ascertain that increase in revenue is a drive or motive for operational cost curbing strategies in logistics companies.

4.2.3 A gain in competitive advantage

The study question aims to determine whether gaining competitive advantage over other companies is a drive for operational cost containment strategies or not in logistics companies in Zimbabwe. Below is the outcomes acquired from answered questionnaires from the organization.

Table 4.7 A gain in competitive advantage as a drive for operational cost containment strategies.

	Strongly agree	Agree	Neutral	Strongly agree	Disagree	Total
Number of respondents	**11**	**7**	**2**	**2**	**2**	**24**

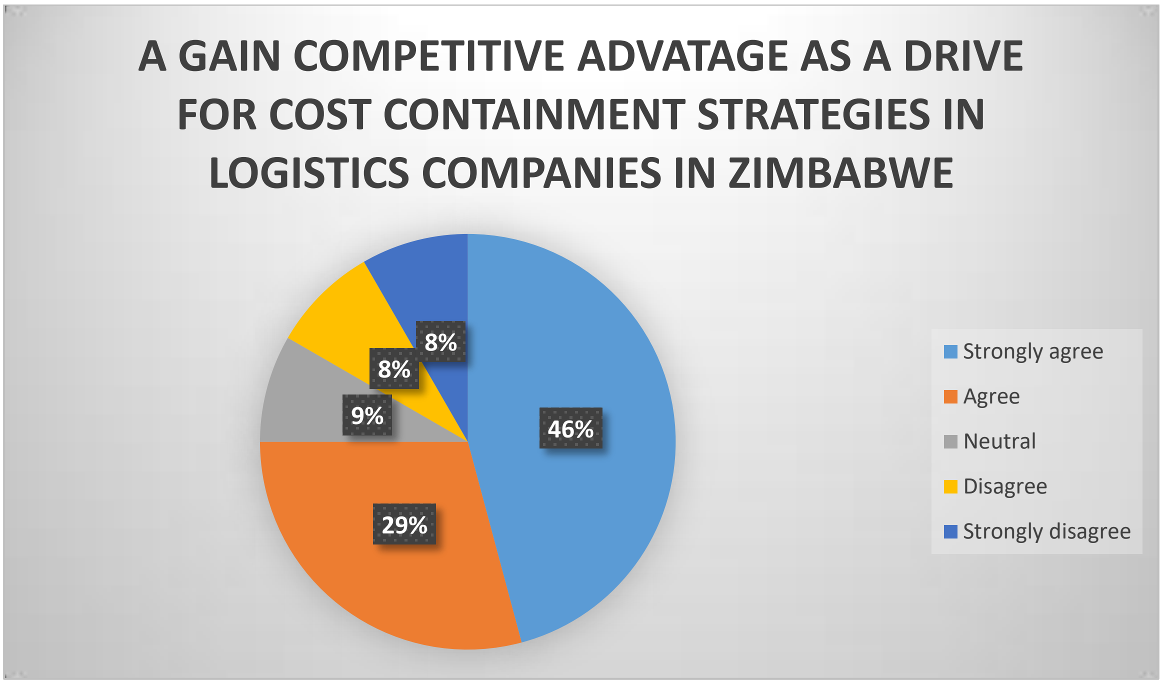

Fig 4.5 A gain in competitive advantage as a drive for operational cost containment strategies.

The above pie chart constitutes differentiated outcomes on whether a gain in competitive advantage is a drive for operational cost containment strategies or not. 46% (11/24) strongly agree that a gain in competitive advantage is a drive for operational cost containment strategies, 29% (7/24) agreed and constant 9% (2/24) are indifferent, 8% (2/24) disagree and 8% (2/24) strongly disagree a gain in competitive advantage as a drive for operational cost containment strategies in logistics companies in Zimbabwe. On aggregate, 75% staff members of Cargo Carriers agreed that gaining a competitive advantage over other logistics companies is a drive for operational cost containment strategies in Zimbabwe noting that companies strive to win customers through controlling prices of goods and services from fluctuating submits Hana (2014) and Romero (2015). Anchor (2014) viewed the same point that firms are obliged to respond effectively to changes happening in the business market in maintaining their advantage over other companies.

However, an aggregate of 16% disagreed that gaining competitive advantage as a drive for operational cost containment strategies is a marketing instrument not cost curbing measure. Kwambana (2017) submits that gaining competitive advantage in the business of today is not a cost cutting measure hence it's a marketing tool. 9% of the respondents are neutral on whether gaining competitive advantage is a motive for operational cost containment strategies or not. 11/24 (46%) being the modal class with respondents who strongly agreed that a gain in competitive advantage is a motive for operational cost containment strategies as shown by the pie chart above through aggregating demand for modified products and successful innovations of developing technology submits Castro et al (2014) and Shidpour et al (2014). A gain in competitive advantage is a motive for operational cost containment strategies at Cargo Carriers International Haulers.

4.2.4 Interviewees responses: Motives behind Cargo Carriers adoption of operational cost containment strategies.

The researcher analyzed the results attained from interviews on profit maximization, increase in revenue and a gain in competitive advantage as the drives for cost containment strategies at Cargo Carriers.

	Motive	**Agree**	**Strongly Agree**	**Indecisive**	**Disagree**	**Strongly Disagree**	**Total**
Number of respondents	Increase in revenue	1	2	0	0	0	**3**
Number of respondents	Profit maximization	0	3	0	0	0	**3**

Number of respondents	A gain in competitive advantage	2	1	0	0	0	**3**

Table 4.8 Motives behind the adoption of operational cost containment strategies at Cargo Carriers International Haulers.

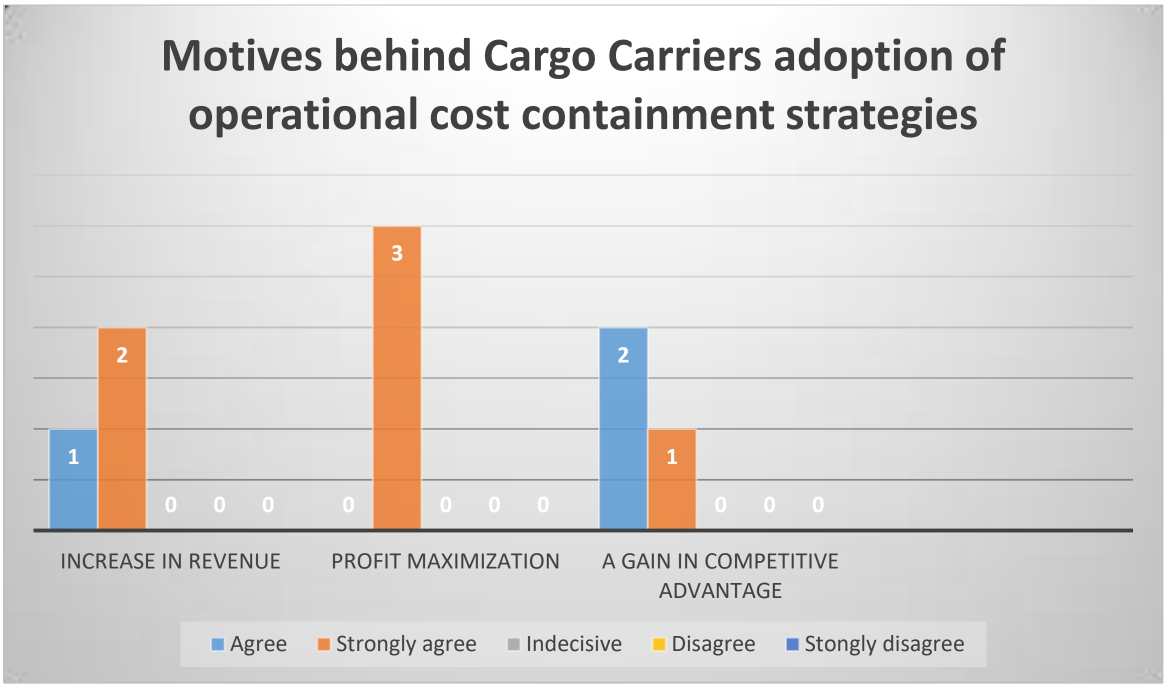

Fig 4.6 Motives behind Cargo Carriers operational cost containment strategies adoption.

The internal auditor agreed that increase in revenue is a drive for the adoption of operational cost containment strategies at Cargo Carriers as shown above. The finance director and the accountant strongly agreed that increase in revenue is a motive for the adoption of operational cost containment strategies at Cargo Carriers. This is in line with the views of Kwambana (2016), who submit that cost containment strategies seeks to minimize operational costs simultaneously increasing revenue of an entity. The study concludes that increase in revenue is a drive for operational cost containment strategies basing on the results obtained from the management of Cargo Carriers International Haulers.

The illustration above denotes that 3/3 (100%) of the management strongly agreed that profit maximization is a drive for operational cost containment strategies. Companies aim to maximize profits as it leads to economic efficiency and benefit outcome maximization. Profit maximization as a drive for operational cost containment strategies adoption was viewed also by Sharfman (2015) who noted that well controlled and managed operational costs upturns profits while holding costs from fluctuating. Basing on the results attained from management at Cargo Carriers, the researcher concludes that profit maximization is a drive for operational cost containment strategies.

In addition, the bar graph above shows that 2/3 (66.6%) agreed that a gain in competitive advantage is a drive for the adoption of operational cost containment strategies. The group accountant strongly 1/3 agreed that a gain in competitive advantage is a drive for operational cost containment strategies. This is line with the views of Anchor (2014) who articulated that, for companies to attain a gain in competitive advantage, they have to produce high quality products at lower costs. In this study, the researcher reached an agreement that a gain in competitive advantage is a drive for operational cost containment strategies.

4.3 Operational cost containment strategies being implemented by Cargo Carriers International Haulers.

The study question seeks to examine vehicle tracking system, infrastructure sharing and downsizing as operational cost containment strategies implemented by Cargo Carriers to lower operational costs from fluctuating. Below is an exploration of the degree of reaction of Cargo Carriers staff members on whether vehicle tracking system, infrastructure sharing and downsizing are operational cost containment strategies or not.

4.3.1 Vehicle tracking system as an operational cost containment strategy.

The question seeks to analyze vehicle tracking system as an operational cost containment strategy in logistics companies using responses of questionnaires returned to determine whether it is a cost containment strategy or not. The likert scale model was used to ascertain the feelings of Cargo Carriers staff as illustrated below.

Table 4.9 Vehicle tracking system as an operational cost containment strategy in logistics companies in Zimbabwe.

	Strongly agree	Agree	Neutral	Strongly agree	Disagree	Total
Number of respondents	2	8	9	2	3	24
Percentage	8.3%	33.3%	37.5%	8.3%	12.5%	100%

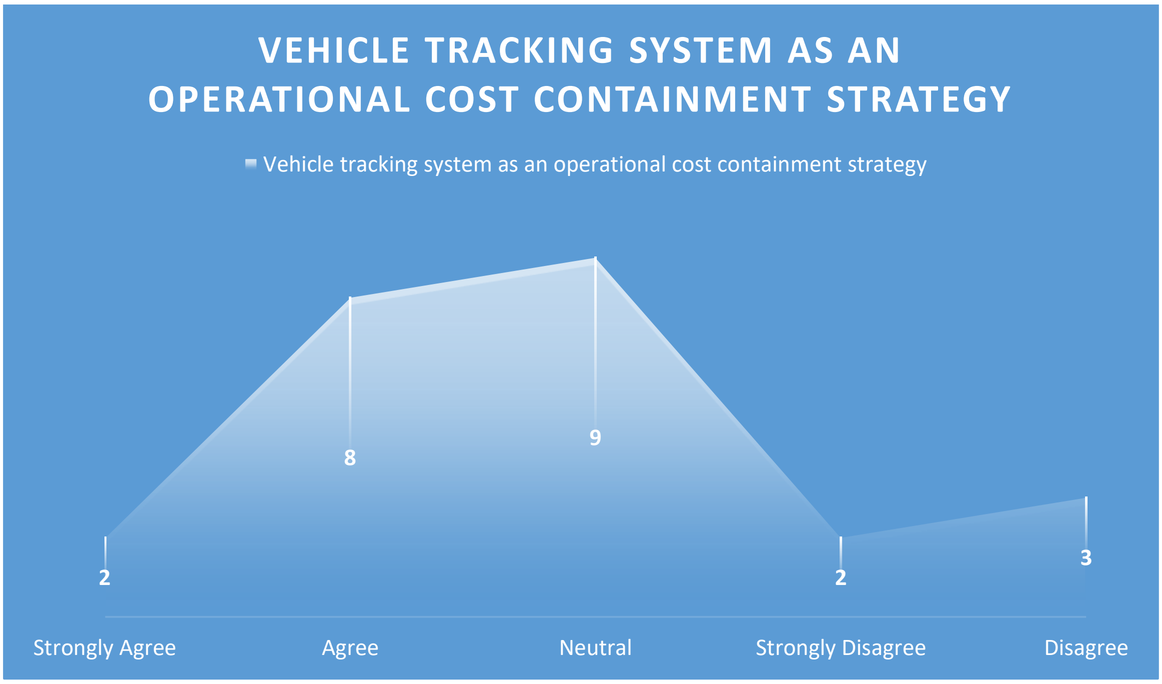

Fig 4.7 Vehicle tracking system as an operational cost containment strategy in logistics companies in Zimbabwe.

The above table shows that 2/24 (8.3%) strongly agreed that vehicle tracking system is an operational cost containment strategy in logistics companies in Zimbabwe. Kamble (2014) denotes the same point stating that vehicle tracking system is used mainly for refining the overall efficiency of an entity which bargains an improved profit on an entity's savings. 8/24 (33.3%) agreed that vehicle tracking system is an operational cost containment strategy, as viewed by Guido et al (2014) submitting that it produces real time objects thus it provides the exact location of the vehicle at the correct time. 9/24 (37.5%) are indifferent whether vehicle tracking system is an operational cost containment strategy or not. The indecisive outcome attained by the study is in line with the view of Ouak et al (2016) who attested that the results of tracking of vehicles are U shaped, vehicle tracking system increases or diminishes operational costs depending on drivers attitude toward the strategy being implemented.

3/24 (12.5%) disagreed that vehicle tracking system is an operational cost containment strategy in Zimbabwe. Quaks submits that vehicle tracking system limits the capacity of load to be transported and limited accessibility of vehicles. 2/24 (8.3%) strongly disagreed that vehicle tracking system is an operational cost containment strategy.

In aggregate, 41.6% (33.3% +8.3%) agreed that vehicle tracking system is an operational cost containment strategy as supported by Kamble (2014) who submits that it improves security and safety, communication medium and monitoring performance thereby increasing productivity. From the above results of Cargo Carriers, it is shown that vehicle tracking system is an operational cost containment strategy in logistics companies in Zimbabwe.

4.3.2 Infrastructure sharing as an operational cost containment strategy.

The question seeks to reassess the views of respondents on whether infrastructure sharing is an operational cost containment strategy or not in logistics companies in Zimbabwe. Study conclusion is based on the responses attained from questionnaires returned presented in the likert scale model as shown below.

Table 4.10 Infrastructure sharing as an operational cost containment strategy in logistics companies.

	Strongly agree	Agree	Neutral	Strongly agree	Disagree	Total
Number of respondents	4	12	8	0	0	24
Percentiles	16.7%	50%	33.3%	0%	0%	100%

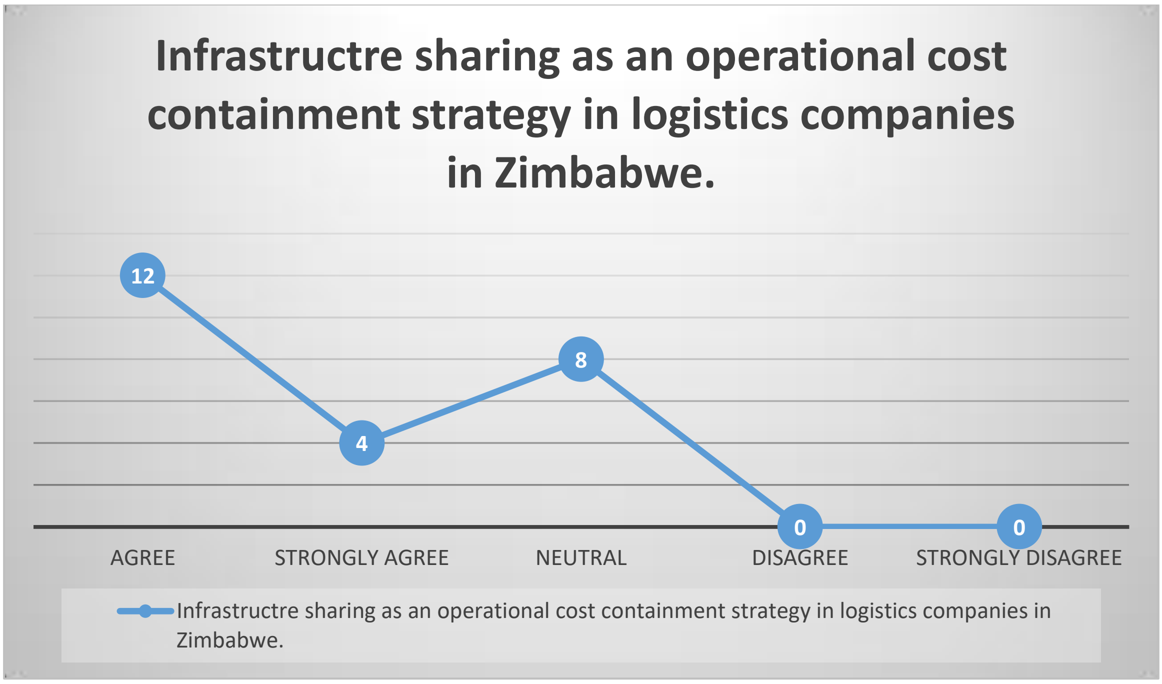

Fig 4.8 Infrastructure sharing as an operational cost containment strategy in logistics companies.

The illustration above indicates that 4/24 (16.7%) strongly agreed that infrastructure sharing is an operational cost containment strategy. According to Meddoura et al (2015) infrastructure sharing cut costs and minimize capital thus making use of depots of other logistics companies as a cost saving. 12/24 (50%) agreed that infrastructure sharing is an operational cost containment strategy as revealed in the above graph. 8/24 (33.33%) are indecisive on whether infrastructure sharing is an operational cost containment strategy or not stating that it upturns the competitive environment of the entity in the short course of business denotes Reddy (2014). 0% disagreed and strongly disagreed the point that infrastructure sharing is an operational cost containment, this is in line with Namisiko (2015) who noted that infrastructure sharing diminishes capital and operational costs thereby increasing the pace of network rollouts. On aggregate 66.7% agreed that infrastructure sharing is an operational cost containment strategy. 12/24 (50%) being the modal class agreed that infrastructure sharing is an operational cost containment strategy as shown by the results in the above table, the research discovered that infrastructure sharing is an operational cost containment strategy in logistics companies in Zimbabwe using Cargo Carrier as a case.

4.3.3 Downsizing as an operational cost containment strategy.

The question seeks to analyze whether downsizing is an operational cost containment strategy in logistics companies or not using responses from Cargo Carriers staff members. Below is the summarized responses attained from questionnaires using total likert score points.

Table 4.11 Downsizing as an operational cost containment strategy in logistics companies.

	Strongly agree	Agree	Neutral	Strongly agree	Disagree	Total
Number of respondents	1	3	5	7	8	24
Points scored (one respondent equivalent to 3 points)	3	9	15	21	24	72

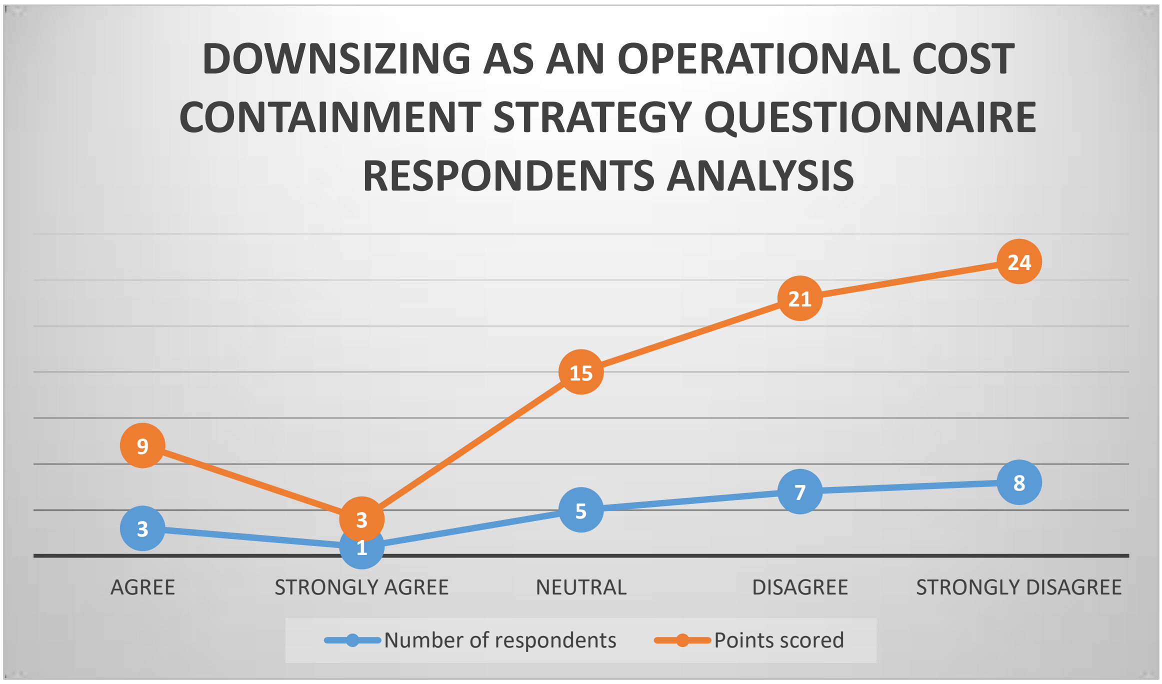

Fig 4.9 Downsizing as an operational cost containment strategy in logistics companies.

Table above shows that 1/24 strongly agreed that downsizing is an operational cost containment strategy in logistics companies in Zimbabwe resulting in three points as indicated and this is in line with Chalos and Chen (2015) who submitted that downsizing has an optimistic influence on financial performance by reducing labor costs . 3/24 agreed that downsizing as an operational cost containment strategy as it devour a positive effect on profitability when labor costs are reduced articulates Marques and Gonzalez (2014). 5/24 indifferently argued that downsizing as an operational cost containment strategy. 7/24 disagreed that downsizing is an operational cost containment strategy as increased job pressure may arise denotes Arnold and Pulicb (2015). 8/24 strongly disagreed that downsizing as an operational cost containment strategy, this is in line with Wilkins et al (2015) who submitted that job insecurities increases as employees wonder if they will be next to be dismissed.

On aggregate, 12 points were scored agreeing that downsizing as an operational cost containment strategy noting that downsizing leads to increased work efficiency and productivity in working with few employees than expected Arnold and Pulicb (2015). The modal class with 24points 8/24 strongly disagreed that downsizing as an operational cost containment strategy in Zimbabwe and basing with the results from the above of the study, downsizing is not an operational cost containment strategy.

4.3.4 Interviewees responses: Operational cost containment strategies being implemented at Cargo Carriers International Haulers.

The researcher examined the results obtained from interviews on vehicle tracking system, infrastructure sharing and downsizing as operational cost containment strategies being implemented at Cargo Carriers.

Table 4.12 Operational cost containment strategies being implemented at Cargo Carriers International Haulers.

	Motive	Agree	Strongly Agree	Indecisive	Disagree	Strongly Disagree	Total
Number of respondents	Vehicle tracking system	3	0	0	0	0	**3**
Number of respondents	Infrastructure sharing	1	2	0	0	0	**3**
Number of respondents	Downsizing	1	0	0	2	0	**3**

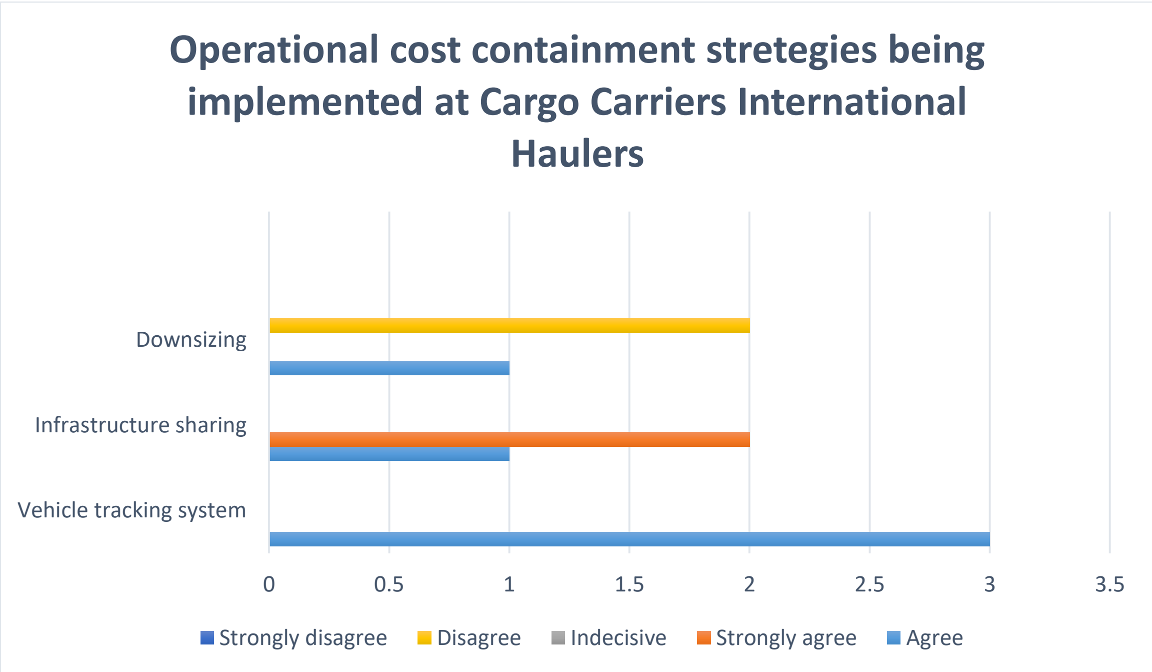

Fig 4.10 Operational cost containment strategies being implemented at Cargo Carriers.

The illustration above shows 3/3 (100%) of the interviewees agreed that vehicle tracking system is an operational cost containment strategy. The finance director highlighted that vehicle tracking system have been seen as a major cost curbing technique in logistics companies as it helps ensure company's performance thus increasing productivity. On a global perspective Sabot limited adopted the vehicle tracking system in 2010 since then their revenue have gradually increased noting that vehicle tracking system refines the overall efficiency of an entity which bargains an improved profit on Sabot's savings. This is in line with Kambe (2014) and Quak et al (2014) who submit that vehicle tracking system improves security and safety, communication medium and helps ensure monitoring of performance and thus increasing company's productivity. The study concluded that vehicle tracking system is an operational cost containment strategy in logistics companies in Zimbabwe basing with the above statements.

The internal auditor and the group accountant agreed that infrastructure sharing is a cost containment strategy as shown in the above table. The finance director agreed that infrastructure sharing is accost containment strategy and on aggregate 3/3 (100%) of the interviewees agreed that infrastructure sharing is a cost containment strategy at Cargo Carriers. Infrastructure sharing has been a performance enhancer as costs and capital were minimized and this is in line with the view of Reddy (2014) who states that infrastructure sharing is a cost saving technique. The researcher concludes that infrastructure sharing is a cost containment strategy at Cargo Carriers and in logistics companies.

Additionally, the graph above denotes that 1/3 (group accountant) agreed that downsizing is an operational cost containment strategy. The internal auditor and finance director (2/3) disagreed that downsizing is an operational cost containment strategy and this is in line with the view of Arnold (2015) who submit that in trying to reduce the number of employees at an organization as a cost containment technique, it increases work pressure on the remaining workforce. Increased job insecurity may be experienced by the remaining workforce as they may wonder what will happen to them next and this is in line with the view of Pulicb (2015), who submitted that when pressure increases on the remaining workforce, absenteeism and turnover rates turns to increase. In this study, the researcher concludes that downsizing is a not an effective operational cost containment strategy.

4.4 Factors influencing the successful implementation of operational cost cutting strategies in logistics companies in Zimbabwe.

The study question seeks to analyze shareholder decision, management commitment and employee involvement as factors that influence the successful implementation of operational cost containment strategies in logistics companies in Zimbabwe. The research made use of the likert scale model to present respondents feeling of Cargo Carriers staff.

4.4.1 Shareholder decision as a factor that influence the successful implementation of operational cost containment strategy in logistics companies in Zimbabwe.

The question seeks to ascertain whether shareholder decision affect the successful implementation of operational cost containment strategies or not. Below is the summarized questionnaire responses from Cargo Carriers staff presented in the likert scale model.

Table 4.13 Shareholder decision as a factor influencing successful implementation of operational cost containment strategies.

	Strongly agree	Agree	Neutral	Strongly agree	Disagree	Total
Number of respondents	**5**	**5**	**4**	**4**	**6**	**24**
Percentiles	**20.83%**	**20.83%**	**16.67%**	**16.67%**	**25%**	**100%**

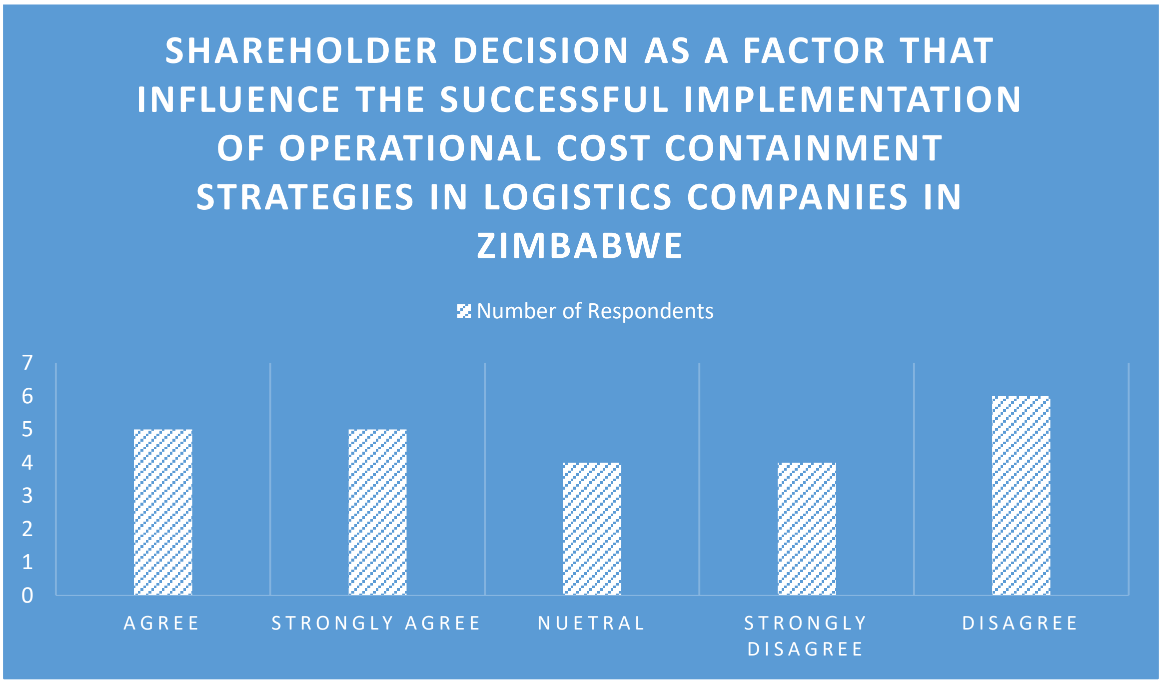

Fig 4.11 Shareholder decision as a factor influencing successful implementation of operational cost containment strategies.

The bar graph above shows that 5/24 strongly agreed and 5/24 agreed that shareholder decision affects the successful implementation of operational cost containment strategies in logistics companies, this is in line with the view of Hope (2014), who submitted that decisions made by management have a significant impact in the implementation of operational cost containment strategies adds value to shareholder's wealth. 4/24 respondents are indecisive on whether shareholder decision influence the successful implementation of operational cost containment strategies or not and 4/24 strongly disagreed that shareholders decision affects the successful influence of operational cost containment strategies. 6/24 disagreed that shareholder decision affects the successful implementation of operational cost containment strategies as one shareholder decision may not affect the entity's decision since shareholders decision differ from shareholder to another leading to their decisions being compromised denotes Kwambana (2017).

On aggregate 10/24 respondents agreed that shareholder decision is a factor that influence the successful implementation of operational cost containment strategies. The modal class 6/24 disagreed that shareholder decision influence the successful implementation of these curbing techniques. From the above results in the study it is concluded that shareholder decision does not influence the successful implementation of operational cost containment strategy in logistics companies in Zimbabwe using a case of Cargo Carriers.

4.4.2 Management commitment as a factor influencing the successful implementation of operational cost containment strategies.

The study question aims to analyze management commitment as a factor influencing the successful implementation of operational cost containment strategies in logistics companies in Zimbabwe. Below is the questionnaire responses of Cargo Carriers staff members presented using the likert scale model.

Table 4.14 Management commitment as a factor influencing the successful implementation of operational cost containment strategies.

	Strongly agree	Agree	Neutral	Strongly agree	Disagree	Total
Number of respondents	7	9	2	3	3	24

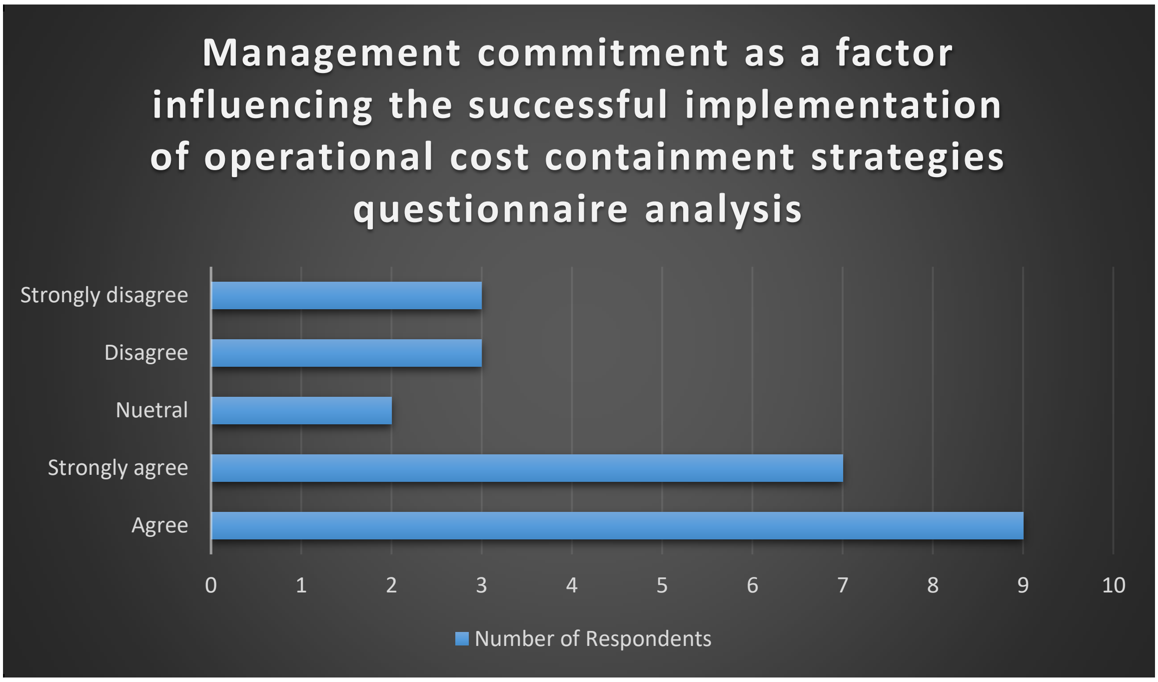

Fig 4.12 Management commitment as a factor influencing the successful implementation of operational cost containment strategies.

The bar graph above illustrates that 7/24 strongly agreed and 9/24 agreed that management commitment affects the successful implementation of operational cost containment strategies at Cargo Carriers. This is in line with the view of Mfarinya (2016) who submitted that management are the stewards of the organization hence they are accountable for setting organizational goals and plans as well as observing development thus their commitment is crucial. 2/24 respondents are indifferent that management commitment influences the successful implementation of these curbing strategies. 3/24 of the respondents disagreed and 3/24 strongly disagreed that management commitment affects the successful implementation of operational cost containment strategies as management may lose focus on other managerial duties and responsibilities and give more attention to these cost curbing strategies denotes Gasparetto (2016).

On aggregate 16/24 respondents agreed that management commitment influence the successful implementation of operational cost containment strategies. The modal class with 9/24 respondents agreed that management involvement affects the successful implementation of operational cost containment strategies since the implementation of these curbing strategies require skillful and well trained management submits Gossy et al (2015). Conclusions drawn from the above table indicate that management commitment is a factor that influence the successful implementation of operational cost containment strategy.

4.4.3 Employee involvement as a factor influencing the successful implementation of operational cost containment strategies.

The research question aims to ascertain whether employee involvement influence the successful implementation of cost containment strategies or not. A summary of the questionnaire responses is shown below for Cargo Carriers staff members using the likert scale model.

Table 4.15 Employee involvement as a factor influencing the successful implementation of operational cost containment strategies.

Responded feeling	Strongly agree	Agree	Neutral	Strongly agree	Disagree	Total
Number of respondents	5	11	4	2	2	24
Percentiles	21%	46%	17%	8%	8%	100%

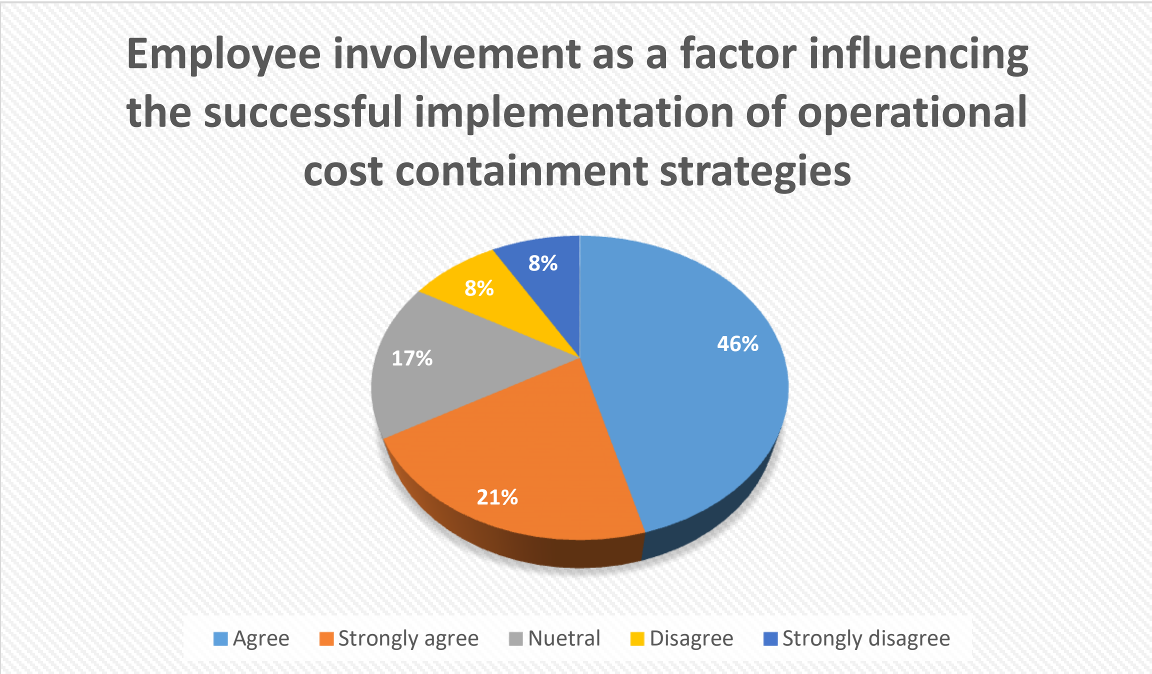

Fig 4.13 Employee involvement as a factor influencing the successful implementation of operational cost containment strategies

The pie chart above illustrates that 5/24 (21%) of the respondents strongly agreed and 11/24 (46%) agreed that employee involvement is a factor influencing the successful implementation of operational cost containment strategies. 4/24 are indecisive on whether employee involvement is a factor influencing the successful implementation of operational cost containment strategies or not. 2/24 strongly disagreed and 2/24 disagreed that employee involvement is a factor influencing the successful implementation of operational cost containment strategies.

On aggregate 16/24 respondents agreed that employee involvement is a factor influencing the successful implementation of operational cost containment strategies and this is in line with the view of Himme (2015) who denoted that involving employees from the preliminary stages of the containment process till the end will ensure they are not hardy to changes that are laid about. The modal class being 11/24 agreed that employee involvement is a factor that influence the successful implementation of operational cost containment strategies and the research basing on the above results concluded that employee involvement is a factor that influence the successful implementation of operational cost containment strategy in logistics companies in Zimbabwe using Cargo Carriers data.

4.4.4 Interviewee response: Factors influencing the successful implementation of operational cost containment strategies at Cargo Carriers.

The researcher examined the results obtained from interviews on shareholders decisions, management commitment and employee involvement as factors influencing the successful implementation of operational cost containment strategies at Cargo Carriers.

Table 4.16 Factors affecting the successful implementation of operational cost containment strategies at Cargo Carriers International Haulers.

	Motive	Agree	Strongly Agree	Indecisive	Disagree	Strongly Disagree	Total
Number of respondents	Shareholders decisions	0	0	1	2	0	**3**
Number of respondents	Management commitment	0	3	0	0	0	**3**
Number of respondents	Employee Involvement	1	2	0	0	0	**3**

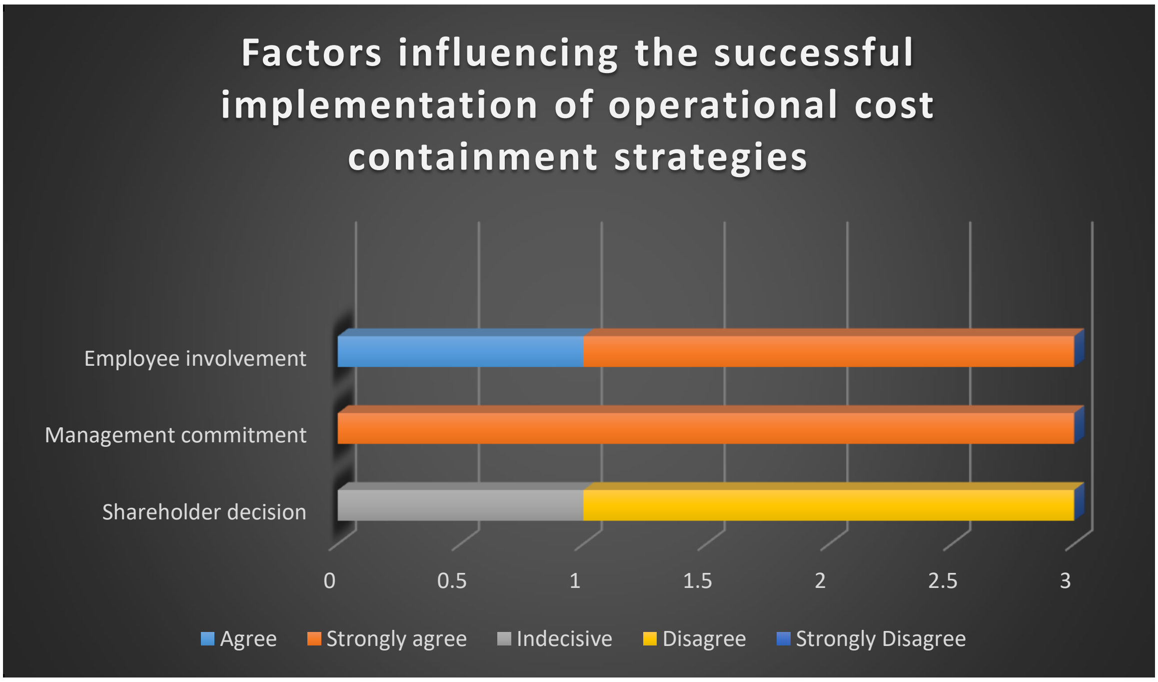

Fig 4.14 Factors influencing the successful implementation of operational cost containment strategies.

The table above shows that 1/3 of the interviewees was indecisive on whether shareholders decisions affects the implementation of operational cost containment strategies or not. The internal auditor and the group accountant disagreed that shareholders decision is a factor influencing the successful implementation of operational cost containment strategies. This is in line with the view of Kwambana (2017) who submit that, one shareholder decision may not affect the entity’s decision since shareholders decision differ from shareholder to another leading to their decisions being compromised. From the above results, the researcher concludes that shareholders decision is not a factor influencing the successful implementation of operational cost containment strategies.

The internal auditor, finance director and the group accountant all strongly agreed that management commitment affects the successful implementation of operational cost containment strategies in Zimbabwe. The internal auditor pointed out that, management are the key participants in the implementation of these operational cost containment strategies hence they play a vital role in implementing these strategies. Bromfield (2014) and Mfarinya (2016) submits that management are obliged to be powerfully committed to the whole cost containment process for the successful implementation of these cost containment strategies. Thereby, the researcher concludes that management commitment is a factor influencing the successful implementation of operational cost containment strategies in Zimbabwe.

The results above denotes that 2/3 of the interviews, the finance director and the group accountant strongly agreed that employee involvement influence the successful implementation of operational cost containment strategies. The internal auditor 1/3 agreed that employee involvement affects the implementation of operational cost containment strategies. Employees are the ones who labor for executing, thus their involvement is vital in the implementation of operational cost containment strategies according to Pauwels (2014). From the above results, the researcher concludes that employee involvement is a factor that influence the successful implementation of operational cost containment strategies in logistics companies in Zimbabwe.

4.5 Relationship between operational cost containment strategies and financial performance of logistics companies.

Regression analysis was used in determining the relationship between operational cost containment strategies (independent variables) and financial performance (dependent variables) of Cargo Carriers. ROE was the dependent variable (measure of profitability) with vehicle tracking system, downsizing and infrastructure sharing among others as the independent variables. Data attained from Cargo Carriers through questionnaires and interviews was used to draw meaningful conclusions. Data was imported from excel to Stata/SE 14.2. The results are shown below as follows.

Table 4.17 Simple linear regression analysis outcome from Stata (operational cost containment strategies – vehicle tracking system, infrastructure sharing and downsizing)

```
. import excel "C:\Users\mhie\Documents\data 3.xlsx", sheet("Sheet1") firstrow

. regress Organisationalperformance Vehicletrackingsystem Infrastructuresharing Downsizing
```

Source	SS	df	MS			
				Number of obs	=	5
				F(3, 1)	=	71.96
Model	99538.9344	3	33179.6448	Prob > F	=	0.0864
Residual	461.065574	1	461.065574	R-squared	=	0.9954
				Adj R-squared	=	0.9816
Total	100000	4	25000	Root MSE	=	21.472

Organisationalperfo~e	Coef.	Std. Err.	t	P>|t|	[95% Conf.	Interval]
Vehicletrackingsystem	.1101434	.0761495	1.45	0.385	-.857428	1.077715
Infrastructuresharing	-.0865779	.0654756	-1.32	0.412	-.9185248	.745369
Downsizing	.5660861	.0696702	8.13	0.078	-.3191584	1.45133
_cons	123.1045	17.05804	7.22	0.088	-93.63846	339.8475

A significant positive relationship exists between vehicle tracking system (independent) and financial performance (dependent) as the vehicle tracking system yields a positive coefficient of 0.1101434. The value of 1.45 shows the impact of vehicle tracking system thereby indicating that the impact of vehicle tracking system as an operational cost containment strategy surpass that over the error only about once. The relationship was insignificant since T-value was not above than 2 (1.45) which is not a benchmark of significance (2) and probability of 0.385 shows that a significant relationship exists, according to Salomons (2013), a significant probability exists when it is below 50%. According to Kamble (2014), a positive relationship exists between vehicle tracking system (operational cost containment strategy) and ROE (financial performance) as it improves security and satefy, monitoring of performance hence increasing productivity. In this study, the researcher concludes that a significant positive relationship exists between vehicle tracking system and financial performance according to regression analysis computation done.

From the above, regression results on infrastructure sharing possessed a coefficient of -0.0865779 and a T statistic of -1.32 giving a negative correlation and a significant probability of 0.412 (41.2%) which is below 50%. Kwambana (2016), submits that infrastructure sharing have subsequent market challenges, loss of foreign investment caused by currency devaluation. According to this, the researcher reached an agreement that a significant negative relationship exists between infrastructure sharing and REO.

A positive correlation of 0.5660861 was attained when regression analysis was done to ascertain the relationship that exists between downsizing (independent) and financial performance (dependent). A T significant value was attained of 8.13 since it is above 2 and a significant probability of 0.078 (7.8%) was attained since the probability is below 50%. The outcome is in line with the view of Arnold and Pulicb (2015) who submitted that downsizing has an optimistic influence on financial performance by reducing labor costs. The researcher reached an agreement that downsizing as an operation cost containment strategy enhance financial performance of a firm as it yields positively on ROE.

4.6 Discussion and conclusion

The interviewees pointed out that, profit maximization and increase in revenue are drives for operational cost containment strategies. The respondents highlighted that, low consumption fuel trucks and low servicing costs of trucks have contributed more to the company's revenue margins meeting the objective of cost containment strategies which articulates that, providing high quality services and holding operational costs from fluctuating. The company made use of Sabot limited depots in a bid to minimize capital costs as a cost containment strategy. Shareholders decisions is a factor that influence the successful implementation of operational cost containment strategies affects the implementation of these curbing strategies. Lastly, a significant positive relationship exists between operational cost containment strategies and financial performance (return on equity) using regression analysis previously calculated Cargo Carriers openly showing that the entity has surplus revenue to invest irrespective of unceasing losses incurred by Cargo Carriers.

4.7 Chapter summary

The chapter's major objective was to presenting and analyzing data which was attained from Cargo Carriers through interviews and questionnaires. Regression analysis was done in this chapter, analyzing the relationship between operational cost containment strategies and financial performance. The data acquired from the organization was linked up with literature from other scholars. Chapter five presents major findings of the research, recommendations and conclusion on the results attained from Cargo Carriers.

CHAPTER 5

SUMMARY, CONCLUSION AND RECOMMENDATIONS.

5.0 Introduction

The chapter sums up the major research findings, conclusions and potential recommendations to the study. Study outcomes and reassessed literature are the focal points of this chapter, areas of advance study shall also be suggested in this chapter.

5.1 Chapter summaries

Chapter 1

Chapter one's focal point was on the background to the study and problem statement. The chapter also presented the research questions which led to the formulation of research objectives and the significance of the study. The chapter ended by giving the delimitations and limitations of the study and definition of terms respectively.

Chapter 2

Focus was on literature review which pertains to the research. The study gap showed that McWilliams (2016) agreed that a positive relationship exists between cost containment strategies and profit maximization. Navaria et al (2015) argued that cost containment strategies are more vital in hospital institutions as compared to other institutions. Fasola et al (2014) and Waugh et al (2014) agreed that a positive relationship exists between cost containment strategies and financial performance in hospital and manufacturing companies. Innumerable researches have attested that a positive relationship do exist between operational cost containment strategies and financial performance.

Chapter 3

Chapter three shows the methodology embraced by the research. The study adopted the mixed approach. This approach was adopted as it focused on both qualitative and quantitative data in drawing up meaningful conclusions. The research used primary and secondary data. Data was collected though questionnaires and interviews. Convenience and stratified sampling techniques were adopted in distributing questionnaires and conducting of interviews.

Chapter 4

Focal point in chapter four is data presentation, analysis and interpretation. The interview and questionnaire response rate was 100% (3/3) and 75% (24/32) respectively. Bar graphs and pie charts with the aid of descriptions were used to present the data. In analyzing data, statistical tools were used such as the mean, mode and Microsoft excel. Data was also analyzed using Stata/SE 14.2 statistical package to ascertain the relationship that existed between operational cost containment strategies and financial performance.

5.2 Major research findings

Below are the major findings of the research.

Motives behind Cargo Carriers' adoption of cost containment strategies.

The research found out that a gain in competitive advantage, increase in revenue and profit maximization are the motives being Cargo Carriers cost containment strategies adoption. In this study, the researcher concludes that that a gain in competitive advantage, increase in revenue and profit maximization are drives or motives for the adoption of cost containment strategies at Cargo Carriers International Haulers and in logistics companies in Zimbabwe.

Operational cost containment strategies implemented at Cargo Carriers.

The research found out vehicle tracking system and infrastructure sharing as the effective operational cost containment strategies, however downsizing tends to impact negatively on the day to day running of the business as absenteeism and turnover rates increases and job insecurities increased on the remaining workforce. The study concluded that, downsizing is not an effective operational cost containment strategy.

Factors influencing the successful implementation of operational cost containment strategies.

The research revealed management commitment and employee involvement as factors that influence the successful implementation of operational cost containment strategies, however the study found out that shareholder decision is not a factor influencing the successful implementation of these curbing strategies since Cargo Carriers is a private company with limited liability, hence shareholder decision does not affect the implementation of these cost containment strategies.

The relationship between operational cost containment strategies and financial performance.

Vehicle tracking system and downsizing (operational cost containment strategies) as the independent variables were significant and positively related to financial performance measured as a dependent variable of ROE. This implies that successful implementation of operational cost containment strategies enhance financial performance positively. Infrastructure sharing as the independent variable was significant and negatively affects the financial performance as many subsequent market challenges are happening in the business of today.

5.3 Conclusion

A gain in competitive advantage, increase in revenue and profit maximization are motives behind the adoption of operational cost containment strategies at Cargo Carriers International Haulers.

Vehicle tracking system and infrastructure sharing are effective operational cost containment strategies being implemented at Cargo Carriers, however downsizing is not an operational cost containment strategy.

Management commitment and employee involvement are factors influencing the successful implementation of operational cost containment strategies at Cargo Carriers, nevertheless shareholder decision is not a significant factor influencing the successful implementation of operational cost containment strategies.

There is a significant positive relationship between operational cost containment strategies (vehicle tracking system and downsizing) and financial performance (return on equity). This is evidenced by the correlation coefficients of 0.1101 and 0.5661 respectively.

5.4 Recommendations

The research recommends Cargo Carriers and other logistics companies to diversify in operation for example carriage of goods both by sea and by road and transportation of people either by air, sea or road.

The entity should take into consideration cost saving measures and not only cost containment strategies so as to motivate employees.

The organization ought to consider the (PEST) environment predominating in the economy before the implementation of cost containment strategies to determine the cause of increasing costs and decreasing profit margins. The study thereby recommends the organization to evaluate the peripheral environment before the implementation of operational cost containment strategies.

The organization must take into account the necessity for constant assessment and checking of operational cost containment strategies being implemented to evaluate its compatibility with the goals of the organization.

Stigmatization should be eliminated within organizations thus shop floor workers must be involved and participate in decision making to boost worker motivation and this prevents negative reactions after the implementation of cost containment strategies.

5.5 Suggestions for further studies

Taking from the study results, it is suggested that further researches be carried out on evaluating the effect on performance of each of the cost containment strategies in logistics companies.

There is need to assess the PEST (political, economic, social and technological) environment before and after the implementation of operational cost containment strategies to determine the effect on financial performance of logistics companies in Zimbabwe.

REFERENCE LIST

Agarwal, J., & Wu, T. (2014). Factors influencing growth potential of e-commerce in emerging economies: an institution-based N-OLI framework and research propositions. *Thunderbird International Business Review*, 57, 197–215.

Ali, M. H., Kurokawa, S. and Shafie, A. A. (2014) Autonomous road surveillance system: A proposed model for vehicle detection and traffic signal control. *Procedia Computer Science,* 19(13), 963-970.

Applebaum, S. and Hung, L. T. S. (2014) Strategic downsizing: *Critical success factors*. https://www.researchgate.net/publication/243462383

Arnold, E., Pulicb, M. (2015). Managing effectively in the downsized organization. *Health Care Manager*, 22(1), pp. 56-62.

Babbie, E. (2014). The Basics of Social Research (13th ed)

Baumol, W., & Blinder, A. (2015). Microeconomics: *Principles and Policy* (13thed.). Boston, MA: Cengage Learning.

Baye, M. R. (2013) *Managerial economics and business strategy*. New York, NY: McGraw-Hill.

Berdine, G. (2017) Thoracentesis: a case study in the failure of cost containment. *Southwest Respiratory and Critical Care Chronicles*, 5 (20), pp. 50-53.

Boatright, J. R. (2015). Finance ethics: *Critical issues in theory and practice*. New Jersey, NY: John Wiley & Sons.

Bususu, E. (2014) *Effectiveness of cost cutting employee related costs as a performance measure,* Midlands State University: Gweru.

Cascio, W. F. (2014). Downsizing: *What do we know? What have we learned?* University of Colorado. The Academy of Management Executive, 1(7), 95-104.

Creswell, J.W. 2014. *Research design*: qualitative, quantitative and mixed method approaches. Second edition. Sage

Farias, R. and Gasparetto, V. (2016) *Inhibiting factors of inter organizational cost management*- Contemporary study, International Business Research.

Fasola, G., Aprile, G., Marini, L., Follador, A., Mansutti, M. and Miscoria, M. (2014) Drug waste minimization as an effective system of cost-containment in *Oncology, BMC Health Service Research,* Italy.

Frey, F., Minz, R. and Schmid, C. (2014) *Taming the beast-cutting government costs sustainably*, Boston Consulting Group.

Frinsanco, T. and Tafertshofer, P. (2016). *Infrastructure Sharing for Mobile Network Operators*: Munich, Germany: Nokia Siemens Networks.

Gichuki, C.W. (2014). *Effects of cost containment strategies on financial performance of companies*, University of Nairobi: Nairobi.

Gossy, G., Seungwook, O. and Messenboek, R. (2015) *Beyond cost cutting*, Financial Worldwide Ltd, Boston Consultancy Group.

Guido, G., Vitale, A., Saccomanno, F. F., Astarita, V. (2014). Vehicle tracking system based on videotaping data: *Meeting of the EURO Working Group on Transportation*. University of Waterioo, ON: Elsevier Ltd.

Gordon, J. N. (2014). The rise of independent directors in the United States, 1950-2005: Of shareholder value and stock market prices, *Stanford Law Review*, 59(6), pp. 1465-1568.

Guni, C. N. (2014). Changing the market strategy by cost management. *Economics, Management & Financial Markets,* 9 (1), pp. 440-447.

Gupta. A.K., (2014). A conceptual JIT model of service quality, *International Journal of Engineering Science and Technology*, 3(3), 2011, 2214-2227

Hana, U. (2013). Competitive Advantage Achievement through Innovation and Knowledge, *Journal of Competitiveness,* Vol. 5, Issue 1, pp. 82-96

Figar, N and Ivanovic, V. (2015) Cost Reduction Strategy- Process and Effects, *Economics and Organization,* University of Nis: Serbia, 12 (1), 15-26.

Jordi, C. L. (2015). Rethinking the firms' mission and purpose. *European Management Review*, 7(4), pp. 195-204.

Kamble, K. P. (2014). Smart Vehicle Tracking System. *Department of Electronics and Telecommunication Engineering*, 3(4).

Kolbaek, R. (2014) *Research designs*- Lecture for WIP 2014, IRIS Network

Kwambana, C. (2017). *Analyzing the impact of operational cost cutting strategies of courier and postal companies in Zimbabwe*. Gweru: Midlands State University.

Kerr, M. and Pauwels (2014) *Cost cutting with no regrets*, Bain and Co.

Macdonald, C. (2016). *Managing the dilemma of balancing revenue growth and cost containment*, University of Pretoria.

McWilliams, J. M. (2016) *Cost Containment and the Tale of Care Coordination*, Massachusetts Medical Society: England.

Mfarinya, E. T. (2016) *The impact of cost containment strategies on the financial performance of health firms*, Midlands State University: Gweru.

Namisiko,P., Sakwa,M and Waweru,M. (2015). Effects of Network Infrastructure sharing Challenges on Open Information Communication Technology Infrastructure Sharing among Mobile Service Providers in Kenya, *Information Engineering and Electronic Business,* 3, 11-19.

Namu, N., Kaimba, G., Murithi, D.K. and Nkasi, I.M. (2014). Impact of cost reduction strategies on performance of tea factories, Kenya.

Navarria, A., Drago, V., Gozzo, L., Longo, L., Mansueto, S., Pignataro, G. and Drago, F. (2015) Do the Current Performance-Based Schemes in Italy Really Work? "Success Fee": A Novel Measure for Cost- Containment of Drug Expenditure, *Value in Health*, 18, 131-136.

Olugawagbemiga, O.E., Olubenga, O.M. and Zaccheaus, (2014). Cost Management Practices, Jomo Kenyatta University of Agriculture and Technology: Kenya.

Pacek, N., (2014). The future of business emerging markets, Asia: Marshall Cavendish International.

Portet, M. I. F., Gerkens, S., Nefkens, I. L., Vinck, I and Hulstaert, F. (2014) Are biosimilars the next tool to guarantee cost-containment for pharmaceutical expenditures? *Eur J Health Economy*, 15, 223-228.

Quak, H., Nesterova, N. and Rooijen, T. V. (2016). Possibilities and Barriers for using electric-powered vehicles in city logistics practice. Transportation Research Procedia, 12(16), 157-169.

Reddy,M. (2013).Commons" in the Telecoms Sector: Competition Policy Challenges in a Small Economy, College of Business, Hospitality &Tourism Studies. Fiji National University.

Romero, I. & Martine-Roman, J. A. (2012). Self-employment and innovation. Exploring the determinants of innovative behavior in small business. Research Policy, 41(1), 178-189.

Rose, S., Spinks, N. and Canhoto, A.I. (2015) *Management Research* – applying the principles. Saunders M, Lewis P and Thornhill A 2015, *Research Methods for Business Students*, Financial Times, Pitman Publishing.

Shidpour, H., Da Cunha, C. (2014) Analyzing single and multiple customer order decoupling point positioning based on customer value. *Variety Management in Manufacturing*, 17(14), 669-674.

Strickland, L (2012). Cost cutting- a traditional approach to poor financial performance, Focus Resources.

Suzuki, Y. (2014) Anew truck-routing approach for reducing fuel consumption and pollutants emission. Transportation Research Part D, 16, 73-77.

Sundaram, A. K. (2014). The corporate objective revisited. *Organization Science*, 15(3), pp. 350-363.

Taga, K., Opitz, M., Portal, T. and Kuruvilla, T. (2015) *Cost reduction in the telecom industry*, Telecom and Media Viewpoint.

Taniguchi, E., Thompson, R. G., Yamada, T. (2014). Recent trends and innovation in Modellin City Logistics: *Social and Behavioral Sciences*, 125(8), pp. 4-14.

TiborKoltay (2017) *Data literacy for researchers and data librarians.*SzentIstván University, Rákóczi:Jászberény.

Zhou, N., Park, S. H., Ungsong, G. R. (2015). Profitable growth: Avoiding the growth fetish in emerging markets. *Business Horizons*, 56(4), pp. 473-481

Financial Statements for Cargo Carriers International Haulers

Cargo Carriers financial statements for 2014.

Cargo Carriers financial statements for 2015.

Cargo Carriers financial statements for 2016.

Cargo Carriers financial statements for 2017.

Cargo Carriers International Haulers Management Meeting Reports.

Human resources report 2014.

Human resources report 2015.

Human resources report 2016.

Management report for 2015.

Management report for 2016.

Management report for 2017.

APPENDIX A: AUTHORITY TO CARRY OUT RESEARCH

Midlands State University
P Bag 9055
Gweru

Cargo Carriers International Haulers
71 Woolwich Road Southerton
Harare
03/04/2018

Dear Sir / Madam

RE: ASKING FOR PERMISSION TO CARRY OUT MY STUDY

I am Mashie Nyamapfeni, a final student at Midlands State University pursing a Bachelor of Commerce Accounting Honours degree. In my area of study, I focused on the **impact of operational cost containment strategies on financial performance of logistics companies in Zimbabwe**. **(A case of Cargo Carriers International Haulers).**

It is with honour to involve you in this study and take into consideration your views. Please note that the information that you shall provide is only intended for academic purposes and confidentiality shall be maintained.

Thank you for your cooperation

Yours faithfully
Mashie Nyamapfeni

APPENDIX B: QUESTIONNAIRE

Instructions

a. Please do not write your name on the questionnaire.

b. Kindly indicate your answer by use of a **tick** in the relevant answer box.

c. Where applicable, fill in your answer on the **blank space** provided.

d. If you are not certain about how to respond to any given question please skip the question and go to the next one.

Section A

Background information

1.Gender : Female ☐ Male ☐

2. Position within the entity…………………………………………………………………

3. Work experience at Cargo Carriers International Haulers.

0-1yr ☐ 2-4years ☐ 5-8years ☐

9-10years ☐ more than 10years ☐

4. What is your highest qualifications?

Qualifications	**Diploma**	**1st Degree**	**Masters**	**Other**

If other specify

…………………………………………………………………………………………………..

…………………………………………………………………………………………………..

…………………………………………………………………………………………………..

Section B

1.Cutting operational costs enhances the financial performance of an organization through the following:

Motive	**Agree**	**Strongly Agree**	**Uncertain**	**Disagree**	**Strongly disagree**
i) Increase in revenue					
ii) A gain in competitive advantage					
iii) Profit maximization					
iv) Increase in market share					
v) Increases in shareholder's value					
vi) Liquidity increases					

If any other motives, please specify

……………………………………………………………………………………………..

……………………………………………………………………………………………..

……………………………………………………………………………………………..

2. The following are the effective operational cost containment strategies implemented to enhance financial performance

Strategy	**Agree**	**Strongly Agree**	**Uncertain**	**Disagree**	**Strongly disagree**
i) Vehicle tracking system					
ii) Downsizing					
iii) Infrastructure sharing					
iv) Strategic alliance partnership					
v) Organizational restructuring					
vi) Reducing overtime spending					
vii) Pay Cuts					

If any other strategies, please specify

……………………………………………………………………………………………..

……………………………………………………………………………………………..

……………………………………………………………………………………………..

3. Below are the factors that ifluence the successful implementation of cost containment strategies in logistics companies.

Factors	**Agree**	**Strongly Agree**	**Indecisive**	**Disagree**	**Strongly disagree**
i) Shareholders's decision					
ii)Management's Commitment					
iii) Employees involvement					
iv) Government laws					
v) Accountability and monitoring of progress					

If any other factors, please specify

…………………………………………………………………………………………………

………………………………………………………………………………………………….

…………………………………………………………………………………………………..

4. Do you think the adoption of operational cost containment strategies has been benefial to your organization?

Yes ☐ No ☐

Please justify your response

…………………………………………………………………………………………………..

……………………………………………………………………………………………..

……………………………………………………………………………………………..

5. Other comments

………………………………………………………………………………………….

………………………………………………………………………………………….

………………………………………………………………………………………….

………………………………………………………………………………………….

………………………………………………………………………………………….

Contact Details

Phone number : 0778 700 656/ 0718 297 591

Email address : nyamapfenimashy@gmail.com

Thank you for your cooperation

End of questionnaire

APPENDIX C: INTERVIEW GUIDE

Interview questions for the management of Cargo Carriers International Haulers.

i. What are the motives behind Cargo Carriers' adoption of cost containment strategies?

ii. What operational cost containment strategies are being implemented by Cargo Carriers?

iii. What factors influence the successful implementation of operational cost containment strategies in logistics companies?

iv. What is the relationship between operational cost containment strategies and financial performance?

Thank you for your cooperation