

EFFECT OF LEAD TIME UNCERTAINTY ON SAFETY STOCK IN RETAIL INDUSTRY OF PAKISTAN

By

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Statement**

Supervisor-Student Meeting Record

No.	Date	Place of Meeting	Topic Discussed	Signature of Student
5	27/3/2015	F10	Literature Review	<i>[Signature]</i>
6	4/4/2015	F10	Hypothesis	<i>[Signature]</i>
7	11/4/2015	F10	Analysis	<i>[Signature]</i>

APPROVAL FOR EXAMINATION

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I hereby certify that the above candidate's thesis has been completed to my satisfaction and, to my belief, its standard is appropriate for submission for examination. I have also conducted plagiarism test of this thesis using HEC prescribed software and found similarity index at ----- that is within the permissible limit set by the HEC for the MBA thesis. I have also found the thesis in a format recognized by the Department of Management Sciences.

Supervisor's Signature: *[Signature]* Date: 19/8/2015

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Abstract

Purpose of the Research-This thesis is based on studying the relationship of lead time uncertainty and its impact on the safety stock that retail stores have to keep. The basic motive behind this research was that to get to know the actual practices of lead time uncertainty in retail stores of Karachi Pakistan and how they carry their operations with reference to Supply chain department.

Research Design and Sampling- The researcher presented the research design according to the nature of the study. The nature of this study is descriptive in nature and total sample size was selected 50 respondents from retail stores of the Karachi. The sampling techniques was used non probability judgemental technique. The result were interpreted with the help of SPSS software.

Findings of the Result- The findings were revealed that the lead time uncertainty, forecast errors and on time supply has the significant impact on safety stock because companies have to maintain it's stock to optimum level to avoid stock-out situations. Also it verdicts that there is not significant relationship between change in customer demand and safety stock.

Limitations of the Study- Due to lack of resources such as time and city circumstances, research was limited and did not cover all the areas of city.

Practical Implication- This study would be useful for he managers, suppliers and general public because it includes the clear and deep knowledge about the supply chain concepts and real practices of lead time uncertainty and safety stock.

Future Implications- The researcher highlighted certain future implications for other researcher such as they must cover all the areas of the retail stores to get the exact and accurate results. Secondly, the researcher must try to increase the sample population because with the help of large sample size, it would be easy to distinguish the practices of the retail stores.

Key Words- Lead Time Uncertainty, Safety Stock, Supply Chain, Retail Store

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