

**FACTORS AFFECTING CUSTOMS TEA EXPORT PROCEDURES AT THE
PORT OF MOMBASA**

MARILYN AWUOR MIKWA

**A RESEARCH PROJECT SUBMITTED TO THE DEPARTMENT OF
ECONOMICS, ACCOUNTING AND FINANCE, SCHOOL OF BUSINESS IN
PARTIAL FULFILMENT OF THE REQUIREMENT FOR THE AWARD OF
POSTGRADUATE DIPLOMA IN CUSTOMS ADMINISTRATION AT JOMO
KENYATTA UNIVERSITY OF AGRICULTURE AND TECHNOLOGY.**

2019

DECLARATION

This research project is my original work and has not been presented for examination in any other institution.

Marilyn Awuor Mikwa		
HDB335-C016-2405/2016	Signature	Date

This research project has been submitted for examination with my approval as the supervisor.

Mr. Benn Mumia (CPA K, MINCU)		
Lecturer KESRA, Mombasa	Signature	Date
Supervisor		

TABLE OF CONTENTS

DECLARATION	ii
LIST OF TABLES	v
LIST OF FIGURES	vi
ACRONYMS AND ABBREVIATIONS.....	vii
DEFINITION OF TERMS	viii
ABSTRACT.....	xi
CHAPTER ONE: INTRODUCTION.....	1
1.1 Background to the Study.....	1
1.2 Statement of the Problem.....	3
1.3 Objectives of the Study.....	4
1.4 Research Questions.....	4
1.5 Significance of the Study.....	4
1.6 Scope of the Study	5
1.7 Limitations of the Study	5
CHAPTER TWO: LITERATURE REVIEW.....	6
2.1 Introduction.....	6
2.2 Theoretical Review	6
2.3 Conceptual Framework.....	9
2.4 Empirical Review	8
2.5 Critique of the Existing Literature Relevant to the Study	12
2.6 Research Gaps.....	12
2.7 Summary.....	12
CHAPTER THREE: RESEARCH METHODOLOGY	14
3.1 Introduction.....	14
3.2 Research Design	14
3.3 Target Population.....	14
3.4 Sampling Frame.....	14
3.5 Sample Size and Sampling Technique.....	15
3.6 Data Collection Instruments	16
3.7 Data Collection Procedures	17
3.8 Pilot Study.....	17
3.9 Data Analysis	18
CHAPTER FOUR: RESEARCH FINDINGS AND ANALYSIS.....	19
4.1 Introduction.....	19

4.2 Response Rate.....	19
4.3 Reliability Test Results.....	19
4.4 Demographic Analysis.....	20
4.5 Descriptive Analysis	21
4.6 Inferential Analysis.....	24
CHAPTER FIVE:SUMMARY, CONCLUSIONS AND RECOMMENDATIONS	29
5.1 Introduction.....	29
5.2 Summary	29
5.3 Conclusions.....	30
5.4 Recommendations.....	31
5.5 Suggestions for Further Studies	31
REFERENCES.....	32
APPENDICES	37

LIST OF TABLES

Table 3.1: Sampling Frame.....	15
Table 3.2: Determining the Sample Size for Each Organization.....	16
Table 4.1: Response Rate.....	19
Table 4.2: Reliability of the Research Questionnaire	19
Table 4.3: Highest Educational Level of Respondents	20
Table 4.4: Period of Time in the Organization	20
Table 4.5: Descriptive Statistics for Cargo Stuffing.....	21
Table 4.6: Descriptive Statistics for Gate Procedures	22
Table 4.7: Descriptive Statistics for Cargo Scanning Procedures	23
Table 4.8: Descriptive Statistics for Customs Tea Export Procedures at the Port of Mombasa.....	24
Table 4.9: Correlation Analysis	25
Table 4.10: Multiple Regression Model Summary.....	26
Table 4.11: Results of ANOVA.....	27
Table 4.12: Evaluating Individual Regression Coefficients	27

LIST OF FIGURES

Figure 2.1	Conceptual Framework.....	9
-------------------	---------------------------	---

ACRONYMS AND ABBREVIATIONS

CFSs	Container Freight Stations
KPA	Kenya Ports Authority
KRA	Kenya Revenue Authority
RBV	Resource-based View
TEUs	Twenty-foot Equivalent Units
UAUT	Unified Theory of Acceptance and Use of Technology

DEFINITION OF TERMS

Cargo dwell time at the port	This refers to the total time taken from the point of offloading cargo at the port up to the point that the cargo leaves the premises of the port (Trademark East Africa, 2017).
Cargo stuffing procedures	Cargo stuffing procedures refer to the loading of cargo into an empty container, in the presence of customs, and then transporting it to the carrier for loading onboard a ship (Mghenyi, 2017).
Gate procedures	Gate procedures refers to the various steps that have to be followed and adhered to when entering the port, in line with regulatory requirements (Mghenyi, 2017).
Cargo scanning procedures	Cargo scanning procedures refers to the non-intrusive inspection and identification of goods in transportation systems (Wahome, 2017).

ABSTRACT

Rapid growth in global trade as evidenced by volumes of cargo makes it necessary for customs administrations and other players in the global supply chain to continuously build and upgrade capacity to handle the increased volumes in international trade and travel whilst enhancing supply chain security. The Sub-Saharan Africa ports' dwell time for cargo takes over two weeks on average; which is in sharp contrast with Asian, European, and Latin American large ports' cargo dwell time which is less than a week. The average dwell time at the port of Mombasa is 11 days. Long stay of containers at the port for over 10-12 days characterizes the clearance of containerized cargo at the port of Mombasa. Tea exportation at the port of Mombasa is hurt by congestion, resulting in loss of major markets for tea. This study sought to determine the factors affecting customs tea export procedures at the port of Mombasa. This study specifically determined the effects of cargo stuffing procedures, gate procedures and cargo scanning procedures on customs tea export procedures at the port of Mombasa. The study was founded on general systems theory, resource-based view theory and unified theory of acceptance and use of technology. The study used descriptive cross-sectional survey research design. The study population was 188 employees of the nine tea exporting companies which are based in Mombasa. A sample of 128 employees of the nine tea exporting companies which are based in Mombasa was considered for the actual study. The respondents were selected through stratified random sampling. A pilot study was conducted to test the reliability of the research questionnaire and also ensure its validity. Face validity and content validity of the research questionnaire was ensured through consultations with the research supervisor. The reliability of the research questionnaire will be tested using Cronbach's alpha coefficient. Data was collected using self-administered semi-structured questionnaires. The descriptive statistics that were used by the study were frequencies, percentages, means and standard deviations. The inferential statistics that were used by the researcher are multiple regression analysis and Pearson product moment correlation. It was noted that improving cargo stuffing procedures by 1 unit improves customs tea export procedures at the port of Mombasa by 0.238 unit ($\beta_1 = 0.238$; $p > 0.05$). It was determined that improving gate procedures by 1 unit improves customs tea export procedures at the port of Mombasa by 0.244 unit. ($\beta_2 = 0.244$; $p < 0.05$). The results of statistical analysis will be presented in tables. The results indicate that improving cargo scanning procedures by 1 unit improves customs tea export procedures at the port of Mombasa by 0.357 unit ($\beta_3 = 0.357$; $p < 0.05$). It was concluded that the study found out that cargo stuffing procedures, gate procedures and cargo scanning procedures positively and significantly affects customs tea export procedures at the port of Mombasa. It was recommended that cargo stuffing procedures, gate procedures and cargo scanning procedures should be enhanced in order to improve customs tea export procedures at the port of Mombasa. The researcher expects that this study will assist policy makers, the government, Kenya Revenue Authority, Kenya Ports Authority and stakeholders in tea industry in making of decisions; aimed at enhancing efficiency of tea export procedures at the port of Mombasa in Kenya.

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

In Kenya and East Africa at large, the Mombasa seaport serves in excess of 120 million Kenyan, Ugandan, Rwandan, Burundian, Eastern DRC's, South Sudanese, Ethiopian, Somalia's and Tanzanian individuals. It is 7 nautical miles long, 300 m wide and 15 m deep at maximum. The inner harbour has a tidal range of 3.5 m (Koopman, 2016). Privately owned businesses provide other services like shipping, clearing & forwarding, transport and storage. Government bodies in the port such as Kenya Revenue Authority Customs Service Department ensure effective collection of revenue and enforce standards (Koopman, 2016). The Mombasa port has throughout the years recorded critical increase volumes of traffic (Musyoki, 2017). The lodgement of the manifest of the ship with customs authorities 48 hours before the ship arrives marks the beginning of customs clearance process. It is possible that direct conveyance can be done after release of cargo once the ship arrives (Koopman, 2016).

The process of documentation, equipment handling, transport infrastructure and capacity in terms of space significantly positively affect clearance of containerized freight at KPA (Milimu, 2015). As the trade volumes grow and personnel are limited, Mombasa port's competitiveness globally will be improved through enhancing system capability to scan up to 1,500 containers a day and reduction in duplication and queues, will improve the global competitiveness of Mombasa Port (Wahome, 2017). KRA officers at the port of Mombasa who are usually involved in gate-in process and cargo stuffing supervision, are now trade barriers as they do not follow due procedures of customs clearance and are ineffective. Customs regulations and procedures do not ensure a smooth clearance process in export process (Mghenyi, 2017).

There is inefficiency in cargo clearance at the Mombasa port. Some exporters claim that priority is given to import goods by customs officers. This means that exporters can miss shipping lines as certain ships call once in a month (Seif, 2014). This scenario affects exports of tea hence containers are not shipped due to failure to secure KRA clearance especially on weekends (Seif, 2014). The Northern Corridor is

among the most expensive routes of transport in Africa owing to delays caused by bureaucratic documentation and customs procedures at the port of Mombasa (Kihara & Marete, 2010). The container freight stations' (CFSs) process of releasing cargo and documentation required for cargo is also a problem due to verification process that is lethargic and closure of services early (Seif, 2014).

This pattern incredibly influences tea sends out and numerous holders conveying the item are deserted by leaving ships in the wake of neglecting to get KRA leeway, particularly amid ends of the week, regardless of having touched base at the port on time (Seif, 2014). Awkward documentation and long traditions systems are the primary driver of postponements in tea send out at the Mombasa port, making the Northern Corridor a standout amongst the most expensive transport courses in Africa (Kihara and Marete, 2010). Complaints about freedom of load documentation, exchange and arrival of merchandise by compartment cargo stations (CFSs) additionally exist. The postponements in exchange and arrival of products to and from CFSs are occasioned by lazy check forms and early conclusion of administrations (Seif, 2014).

In Bangladesh, factors, for example, erroneous certificates of clean report of findings that agencies in-charge of pre-shipment inspection give, inadequate facilities for testing, traders' cases in court and declarations that the trading community make falsely result in delayed and inefficient process of clearing imports and exports (Uzzaman & Yusuf, 2011). The dwell time of containers in the process of exportation is affected by various issues like operations at the gates, accessibility and efficiency of connections at the hinterland and regulations by customs (Aminatou, Jiaqi & Okyere, 2018).

In India, small and medium tea exporting firms encounter several problems such as regulatory issues and standards, formalities by customs and other administrative bodies. Other factors include poor infrastructure, high costs of transport and corrupt practices. These factors affect the execution of the strategies of firms in India (Khorana, Verousis & Perdikis, 2010). Mehta (2005) also noted that in India, port charges and taxes are high and documentation procedures are also excessive.

Fraudulent customs and port activities contributes to long dwell times for freight in Sub-Saharan African ports (Raballand, Refas, Beuran & Isik, 2012). The East African port cargo operations are majorly faced with poor technology and bureaucratic procedures by government. The East Africa Logistic Performance Survey (2015) established that close to 31 per cent of the surveyed respondents feel that government procedures are the biggest contributors to prolonged delays at the ports. About 25 per cent of those polled attributed the slowness to network and challenges in adoption mechanisms of information communication technology, a factor that was ranked second, with others blaming multiple agencies at the port (Musyoki, 2017).

1.2 Statement of the Problem

Rapid growth in trade globally as evidenced by volumes of cargo makes it necessary for customs administrations and other players in the global supply chain to continuously build and upgrade capacity to handle the increased volumes in international trade and travel whilst enhancing supply chain security (Musyoki, 2017). The Sub-Saharan Africa ports' dwell time for cargo takes over two weeks on average; which is in sharp contrast with Asian, European, and Latin American large ports' cargo dwell time which is less than a week. The average dwell time at the port of Mombasa is 11 days (Raballand, Refas, Beuran & Isik, 2012). According to Jean (2012, as cited in Milimu, 2015), long stay of containers, over 10-12 days, characterizes the clearance of containerized cargo at the port of Mombasa. Tea exportation process at the port of Mombasa is hurt by congestion, resulting in loss of major markets for tea. The purchase of additional tea from farmers by the exporters of tea becomes difficult as the traders are only paid when tea is shipped. The delays in tea exportation negatively impact the economy as the high costs of business are born by consumers (Lornah, 2012; Seif, 2014). Failure to deal with these challenges will lead to reduced revenues and farmers abandoning tea production for other relatively better crops. Eventually there will be increased poverty in growing regions and in the overall economy. Moreover, economic development would slow down as government would get reduced revenues through taxes, which are necessary for industrial expansion and capital investment (Raballand, Refas, Beuran & Isik, 2012). Scholars have examined the factors which affect tea export procedures. Milimu (2015) noted that containerized cargo clearance is determined by the process of

clearance and verification by customs authorities. Mola (2010) found out that some of the KRA processes like verification and scanning were also its major causes of experiencing delays in cargo clearance. A review of relevant literature revealed that no study specifically focused on the effects of cargo stuffing, gate procedures and cargo scanning on customs tea export procedures at the port of Mombasa in Kenya. To fill this gap, this study determined the factors affecting customs tea export procedures at the port of Mombasa.

1.3 Objectives of the Study

This study was guided by the following objectives;

1.3.1 General Objective

The study's general objective was to determine the factors affecting customs tea export procedures at the port of Mombasa.

1.3.2 Specific Objectives

- i. To assess the effect of cargo stuffing supervision on customs tea export procedures at the port of Mombasa.
- ii. To determine the effect of gate-in procedures on customs tea export procedures at the port of Mombasa.
- iii. To establish the effect of cargo scanning on customs tea export procedures at the port of Mombasa.

1.4 Research Questions

- i. What is the effect of cargo stuffing supervision on customs tea export procedures at the port of Mombasa?
- ii. What is the effect of gate-in procedures on customs tea export procedures at the port of Mombasa?
- iii. What is the effect of cargo scanning on customs tea export procedures at the port of Mombasa?

1.5 Significance of the Study

This study established essential the factors affecting customs tea export procedures at the port of Mombasa. This information will be of benefit to various stakeholders. The outcomes of this study enable KRA to come up with policies which will ensure

export procedures are efficient and effective. To KPA, this study highlights operational issues that arise during exportation process in order to enable them change their way of doing business for the better. To the government this study creates awareness of the experiences in the tea industry. The government will use the study findings to guide policy making aimed at reducing market related challenges faced by tea exporters and tea traders at large. The study is also fundamental for the stakeholders in the tea industry because the study findings will enable them to comprehend the loop holes in the supply chain. With this they can be able to monitor the tea exportation process and put measures in place to increase efficiency.

1.6 Scope of the Study

This study was conducted at the port of Mombasa. The research was conducted between the months of July 2018 and August 2018. The study's respondents were the staff of the tea exporting companies based in Mombasa, Kenya.

1.7 Limitations of the Study

The researcher encountered challenges while collecting data. The respondents were not free enough to respond to the questions when the questionnaires were delivered to them as they considered the researcher as a customs officer. However, the researcher assured them that data was collected for research purposes only and would not be used to victimize anybody who expresses opinions on various statements. Secondly, some respondents were busy at times when questionnaires were delivered to them hence they could not fill questionnaire and return to the researcher immediately. However, the researcher gave them adequate time to respond within mutually agreed upon timelines in order to impede delays in data collection.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter presents a review of the theories guiding the study. The chapter also discusses the empirical literature review, the conceptual framework for variables under study, critique of past relevant literature and summary of reviewed literature relevant to the study.

2.2 Theoretical Review

This section presents the general systems theory, resource-based view (RBV) theory and the unified theory of acceptance and use of technology (UTAUT).

2.2.1 General Systems Theory

General systems theory was originally advanced by Ludwig von Bertalanffy in the 1930's. According to Bertalanffy, nothing can be comprehended by detaching just a single component that plays a fundamental role in the system (Heil, 2013). General systems theory recommends that when there is an issue with one segment in the system then we can't disconnect that part but adopt a comprehensive strategy and view the entire system to comprehend what the issue could be. Bertalanffy deliberately built up the general systems hypothesis in light of the conviction that there is a general propensity toward combination in the natural and social sciences (Heil, 2013). The systems theory makes other systems like the organization and its employees clear. It also aids in explaining government systems that are at times complicated (Heil, 2013).

This theory does not focus on reduction of an entity into its parts or components. Entities have numerous mind boggling connections with the environment and hence must develop and accomplish harmony as opposed to just come back to an unfaltering state (Chikere & Nwoka, 2015). In the context of this study, it is implied that customs procedures are interconnected processes which are necessary for successful export process. Customs authorities work with relevant stakeholders to ensure the success of customs export procedures. This theory formed the basis for

conceptualizing that cargo stuffing procedures, gate procedures and cargo scanning procedures affect customs tea export procedures at the port of Mombasa in Kenya.

2.2.2 Resource-based View Theory

RBV hypothesis was created by Edith Penrose in 1959 (Newbert, 2007). RBV hypothesis proposes that profitable, uncommon, incomparable and non substitutable resources enable an organization to remain competitive and sustain its performance (Collis & Montgomery, 1995; Grant, 1991). As indicated by RBV, an entity can possess physical, human or organizational assets (Barney, 1991; Amit & Shoemaker, 1993). Resources include names of brands, technological capabilities and procedures that are efficient (Spanos & Lioukas, 2001). Barney (1991) additionally stressed that assets are important when they empower a firm to imagine or execute plans that enhance its proficiency and viability. RBV examines and interprets organizational resources to comprehend how entities accomplish maintainable competitive advantages (Barney, 1986; Hamel & Prahalad, 1996).

RBV encourages managers of organizations to comprehend why capabilities can be seen as an organizations' most vital resource and also to acknowledge how those benefits can be utilized to enhance entity's performance. RBV acknowledges that attributes identified with past encounters, the culture of the organization and skills determine firm' achievements (Campbell & Luchs, 1997; Hamel & Prahalad, 1996). Assets that can't be effortlessly exchanged or obtained will probably be extraordinary and, hence, hard to be mimiced by contenders (Madhani, 2010). Ownership of extraordinary resources and capacities determines organizational performance (Conner, 1991). The RBV theory was the basis for conceptualizing that cargo stuffing procedures and cargo scanning procedures affect customs tea export procedures at the port of Mombasa in Kenya.

2.2.3 Unified Theory of Acceptance and Use of Technology

The UTAUT was initially proposed by Venkatesh, Morris, Davis and Davis (2003). The UTAUT argues that expectancy of performance, expectancy of effort, social impact and expediting conditions determine the behavioural intention of users to acknowledge and utilize innovation (Lai, 2017). Venkatesh et al. (2003) consolidated expectancy of performance, expectancy of effort expectancy, social impact and expediting conditions, and major moderators such as sexual orientation, age,

willfulness and experience. UTAUT is an augmentation from the second model of technology acceptance by Venkatesh and Davis in 2000 (Lai, 2017). As indicated by Bagozzi (2007), UTAUT could be a model that is powerful owing to its structure that is parsimonious and explanatory power (R^2) that is higher. However, the model did analyse the direct impacts which may uncover new connections and also essential elements from the investigation which were forgotten by subsuming under the current indicators as it were. The UTAUT was the basis for conceptualizing that cargo scanning procedures affect customs tea export procedures at the port of Mombasa in Kenya.

2.3 Conceptual Framework

It is a set of concepts that are extensively defined and organized systematically to provide a basis and a technique to integrate and interpret information, usually communicated dynamically through word models (Mugenda & Mugenda, 2013). The independent variables were; cargo stuffing procedures, gate procedures and cargo scanning procedures. The dependent variable was customs tea export procedures at the port of Mombasa. The conceptual framework is shown in Figure 2.1.

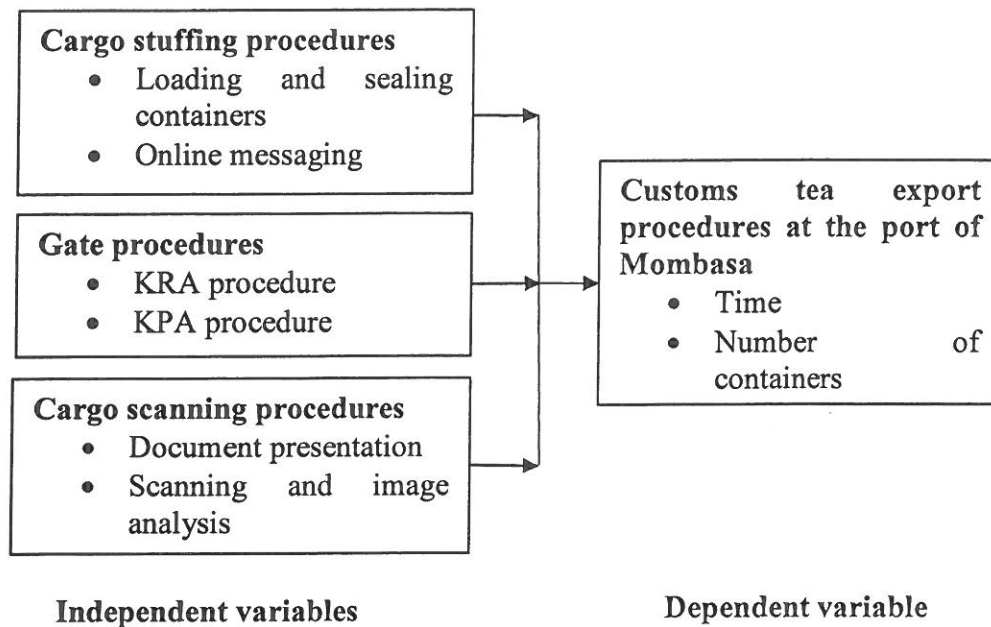


Figure 2.1: Conceptual Framework

2.3.1 Cargo Stuffing Procedures

Cargo stuffing procedures involves the loading of cargo into an empty container, in the presence of customs, and then transporting it to the carrier for loading onboard a ship. The containers have to be sealed and then loaded for exportation. The relevant persons exporting the tea also receive messages online in the cargo stuffing process (Mghenyi, 2017).

2.3.2 Gate Procedures

Gate procedures refers to the various steps that have to be followed and adhered to when entering the port, in line with regulatory requirements of KPA and KRA (Mghenyi, 2017). Port charges have to be settled by the agent once customs clearance process is completed. The agent then releases cargo with other authorities regulating port operations. A pick up order or gate pass is issued to allow exit of cargo from the port once the process is completed. On average, 3 working days are required to complete clearance at the Mombasa port (Koopman, 2016).

2.3.3 Cargo Scanning Procedures

Cargo scanning procedures refers to the non-intrusive inspection and identification of goods in transportation systems. It involves scanning and image analysis of presented

documents (Wahome, 2017). The use of non-intrusive inspection of cargo speeds up goods' clearance at the port of Mombasa (Wahome, 2017). For the over 15 years, the Kenya Revenue Authority has employed modern cargo inspection tools through operationalization of X-ray cargo scanning solutions at the Mombasa seaport. The use of non-intrusive inspection equipment is in line with the safe standards framework of World Customs Organization (Musyoki, 2017). The launch and deployment of three additional scanners, donated by the People's Republic of China, in 2017 scanners was expected to increase the port's throughput capacity to scan up to 1,000 containers per day while at the same time increasing considerably the KRA scanner assets under the national scanner solution framework (Musyoki, 2017).

2.3.4 Customs Tea Export Procedures at Port of Mombasa

Customs procedures have to be adhered to in tea export at the port of Mombasa in Kenya. The first step is usually the submission of clearance documents for verification. Kenya Revenue Authority (KRA) then undertakes physical verification of consignment. The container is then weighed (Musyoki, 2017). After weighing, one has to lodge a pre-advice. A Kenya Ports Authority (KPA) invoice and receipt is then obtained. The exporter then enters the port and obtains obtain position slip. The container is then scanned and offloaded. The exporter then obtains KRA final release (Koopman, 2016).

2.4 Empirical Review

The pertinent literature on the effects of cargo stuffing, gate procedures and cargo scanning on customs tea export procedures is reviewed in this section. Milimu (2015) analysed factors that affect clearance of containerized cargo at Kenya Port Authority in Mombasa, Kenya. Respondents agreed that adequate handling equipment and machines positively affect container clearance. Respondents also agreed that slow documentation process negatively affect containerized cargo clearance. It was concurred that utilization of handling machines and equipment that are automated affects clearance of containerized cargo positively. The researcher also noted that respondents agreed that machines used in loading and unloading of containers are inadequate machines. It was also agreed that in clearance of containers, the process of verification and clearance by customs is fundamental. It was noted that the process of documentation, equipment handling, transport infrastructure and space capacity

are very strongly and positively related with clearance of containerized cargo. The study also established that the process of documentation, equipment handling, transport infrastructure and space capacity positively and significantly affect clearance of containerized cargo at KPA. However, the study did not specifically focus on the effects of cargo stuffing procedures, gate procedures and cargo scanning procedures on customs tea export procedures at the port of Mombasa in Kenya.

Mola (2010) analysed the determinants of container dwell time at the Mombasa port in Kenya. The study found out that some of the KRA processes like verification and scanning were also its major causes of experiencing delays due to uncooperative nature of their personnel. It was established that delays caused by KPA were due to lengthy documentation procedures, IT systems and power failure, delays in hilling and invoicing, unavailability and consistence breakdown of machines and poor planning of operations. It was noted that lodging to passing processing time, central documentation office processing time, revenue processing time, terminal processing time and terminal to gate release processing time have a positive relationship with container dwell time. However, the study did not specifically focus on the effects of cargo stuffing procedures, gate procedures and cargo scanning procedures on customs tea export procedures at the port of Mombasa in Kenya.

Adieri (2012) examined the factors that affect efficiency of CFSs at Mombasa port in Kenya. A significant and negative relationship was found between gate waiting time and container numbers and value of cargo but not with containers expressed in TEUS or their weight. It was determined that infrastructural factors indeed likely affect the efficiency of CFSs. The study also established that the systems employed influence the efficiency of the CFSs as measured by traffic measures. The study established that machinery endowment by the CFSs likely influence their efficiency as measured by the time it took to load and unload cargo. However, the study results were based on correlation analysis; and not regression analysis which would depict the influence of infrastructure endowment, systems employed in receiving and releasing cargo, and machinery/equipment by the container freight stations of Mombasa port on efficiency. Moreover, the study did not specifically focus on the effects of cargo stuffing procedures, gate procedures and cargo scanning procedures on customs tea export procedures at the port of Mombasa in Kenya.

2.5 Critique of the Existing Literature Relevant to the Study

Indeed it is worth noting that empirical literature provides evidence that cargo stuffing, gate procedures and cargo scanning affect tea export procedures at the port of Mombasa as noted by Mola (2010) who noted that KPA and KRA procedures are key determinants of container dwell time at the port of Mombasa. Adieri (2012) examined the factors affecting efficiency of CFSs at Mombasa port in Kenya but made conclusions based on results of correlation analysis and not multiple regression analysis. Moreover, review of relevant literature revealed that no study specifically focused on the effects of cargo stuffing procedures, gate procedures and cargo scanning procedures on customs tea export procedures at the port of Mombasa in Kenya.

2.6 Research Gaps

Adieri (2012) examined the influence of infrastructure endowment, systems employed in receiving and releasing cargo, and machinery/equipment by the container freight stations of Mombasa port on efficiency. Mola (2010) examined the relationships that lodging to passing processing time, central documentation office processing time, revenue processing time, terminal processing time and terminal to gate release processing time have with container dwell time at the Mombasa port in Kenya. Milimu (2015) analysed factors that affect clearance of containerized cargo at Kenya Port Authority in Mombasa, Kenya. It is evident that no study reviewed specifically focused on the effects of cargo stuffing procedures, gate procedures and cargo scanning procedures on customs tea export procedures at the port of Mombasa in Kenya. This study filled this gap.

2.7 Summary

General systems theory recommends that when there is an issue with one segment in the system then we can't disconnect that part but adopt a comprehensive strategy and view the entire system to comprehend what the issue could be. Bertalanffy deliberately built up the general systems hypothesis in light of the conviction that there is a general propensity toward combination in the natural and social sciences. RBV hypothesis proposes that profitable, uncommon, incomparable and non substitutable resources enable an organization to remain competitive and sustain its

performance. The UTAUT argues that performance expectancy determines the behavioral intention of users to adopt and utilize technology.

It was noted that in containerized cargo clearance, the process of verification and clearance by customs is fundamental. It was also established that the process of documentation significantly and positively affects clearance of containerized cargo. It was determined that some of the KRA processes like verification and scanning are major causes of experiencing delays due to uncooperative nature of their personnel. It was established that delays caused by KPA were due to lengthy documentation procedures.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents discussions on step by step procedures that will be followed in addressing the research problem. The research design, population, sampling technique and sample size, data collection techniques, pre-testing of research instruments, data collection procedures and data analysis and processing are also presented.

3.2 Research Design

This is a framework adopted in collecting, measuring and analysing data in a way intended to find solutions research problem (Kumar, 2011; Khan, 2014). Descriptive cross-sectional survey research design was adopted by the researcher. It was preferred as it enables quick, efficient and accurate access to information concerning the population as it is at a given point in time (Mugenda & Mugenda, 2013).

3.3 Target Population

Population in research alludes to the subjects of investigation. Target population refers to the specific subjects of the study to which research results are generalized (Sekaran & Bougie, 2010). The study or accessible population is the population from whom the required information to find answers to your research questions is obtained. The target population of the study was the employees of the 25 tea exporting companies based in Mombasa as shown in Appendix V (Kumar, 2014). The accessible population was 188 employees of the nine tea exporting companies which are based in Mombasa. The employees of the companies were chosen as they were easily accessible to the researcher (Mugenda, 2008).

3.4 Sampling Frame

Sampling frame is the list of all the units of the population from which the study sample is selected (Nachmias & Nachmias, 2008). The sampling frame is shown in Table 3.1.

Table 3.1: Sampling Frame

Organization	Number of employees
Abbas Traders Ltd	10
M J Clarke Ltd	15
Gokal Trading (Kenya) Ltd	16
Gold Crown EPZ Ltd	18
Fin Tea Ltd	20
Kipkebe Ltd	22
Van Rees BV	26
Cargil Ltd	27
Kenya Tea Development Agency Ltd	34
Total	188

3.5 Sample Size and Sampling Technique

Sampling is the selection of a given number of subjects of a research study to represent the entire population. Sampling usually lowers costs and expedites the data collection process (Ogula, 2010; Mugenda & Mugenda, 2013; Sreevidya & Sunitha, 2011). Yamane (1967) formula will be used in determination of the sample size. At 95% level of confidence, where $e = 0.05$, the size of the sample is determined by the formula shown in Equation 3.1.

$$n = \frac{N}{1+N(e^2)} \dots \dots \dots \text{Equation 3.1}$$

In Equation 3.1, n is the size of the sample, N is the size of the population and e is the precision level. The sample size is shown in Equation 3.2.

$$n = \frac{188}{1+188(0.05^2)} = 127.8912 = 128 \dots \dots \dots \text{Equation 3.2}$$

Accordingly, a sample of 128 employees of the nine tea exporting companies which are based in Mombasa took part in the actual study. Stratified random sampling was used to select the employees of the nine tea exporting companies. The number of respondents for each stratum was determined based on proportionate allocation method. Simple random sampling was then used to select the respondents from each organization. Bias in selection of respondents is eliminated when they are selected

randomly (Goertz & Mahoney, 2012). The results of stratified sampling are depicted in Table 3.2.

Table 3.2: Determining the Sample Size for Each Organization

Organization	Number of employees	Proportionate allocation formula	Size
Cargil	27	$n_1 = \frac{27}{188} \times 128$	18.383 = 18
James Finlays	20	$n_2 = \frac{20}{188} \times 128$	13.617 = 14
M.J. Clark	15	$n_3 = \frac{15}{188} \times 128$	10.213 = 10
Abbas Traders	10	$n_4 = \frac{10}{188} \times 128$	6.809 = 7
Van Rees	26	$n_5 = \frac{26}{188} \times 128$	17.702 = 18
Gokal Trading	16	$n_6 = \frac{16}{188} \times 128$	10.894 = 11
Gold Crown EPZ	18	$n_7 = \frac{18}{188} \times 128$	12.255 = 12
KTDA	34	$n_8 = \frac{34}{188} \times 128$	23.149 = 23
Kiptebees	22	$n_9 = \frac{22}{188} \times 128$	14.979 = 15
Total	188	$n = \frac{188}{188} \times 128$	128

3.6 Data Collection Instruments

Self-administered semi-structured questionnaires were used in collecting primary data. The opinions and attitudes of the respondents on various aspects focused on in the study were sought. Questionnaires are considered to be the most flexible of tools used in data collection that can be planned and administered easily (Saunders, Lewis & Thornhill, 2009; Brace, 2013).

3.7 Data Collection Procedures

Before the pilot study was undertaken, the researcher first got the letter of introduction. The researcher then sought permission for data collection from the department of customs studies in the Kenya school of revenue administration at KRA after conducting the pilot study (Mugenda, 2008). Before delivery of the research questionnaires to the respondents, they were briefed about the study's purpose. The research questionnaires were then delivered and distributed in person to the respondents and collected immediately once they are through. The researcher made follow ups within a week to ensure that those respondents who required time had given their responses (Mugenda, 2008).

3.8 Pilot Study

The research questionnaire was tested to test its reliable and ensure it is valid. A sample of 10% of the study sample is sufficient for piloting the research questionnaire (Kothari, 2004). Hence, the pilot study involved a sample of 13 respondents, who were not involved in the final study. Piloting helps in revealing questions that are vague so that they are reviewed until they convey the same meaning to all the subjects. The questionnaires were revised according to the findings of the pilot test. The revised research questionnaires were then used in the actual study (Sreevidya & Sunitha, 2011).

3.8.1 Validity

A research questionnaire ought to measure concepts accurately lest it won't be used even though it is consistent (Sreevidya & Sunitha, 2011). The research questionnaire was thoroughly scrutinized by the supervisor to ensure face validity and content validity. Face validity ensures that the link between the questions and the study objectives is logical (Kumar, 2011).

3.8.2 Reliability

The research questionnaire should consistently measure concepts under investigation. Therefore, results that are erratic and not predictable cannot be produced by a reliable research questionnaire (Sreevidya & Sunitha, 2011; Kumar, 2014). If the research results, tools and procedures are not replicable, the conclusions drawn and claims made by the researcher cannot be satisfactory (Khan, 2014). The reliability of

the research questionnaire was ensured using Cronbach's alpha coefficient which should be 0.7 or over for a reliable questionnaire (Sreevidya & Sunitha, 2011).

3.9 Data Analysis

The study used both descriptive and inferential analysis. The descriptive statistics that were used by the study were frequencies, percentages, means and standard deviations. The inferential statistics that were used by the researcher were multiple regression analysis and Pearson product moment correlation. The results of statistical analysis were presented in tables. The multiple regression model that was adopted is shown in Equation 3.3.

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon \dots \dots \dots \text{Equation 3.3}$$

Where; Y represents customs tea export procedures at the port of Mombasa

β_0 represents the y-intercept

β_1, β_2 and β_3 represent coefficients of cargo stuffing procedures, gate procedures and cargo scanning procedures respectively

X_1, X_2 and X_3 represent the independent variables

ε represent error term

CHAPTER FOUR

RESEARCH FINDINGS AND ANALYSIS

4.1 Introduction

This chapter presents the response rate, demographics of respondents, results of descriptive statistics and inferential statistical results.

4.2 Response Rate

The researcher distributed 128 questionnaires. 78 questionnaires were duly filled and returned. 50 (39.1%) of the questionnaires were not returned. It is rare for a researcher to attain 100 percent response rate in surveys. It is possible that a true reflection of the population of interest will be achieved with low rates of response (Zikmund, Babin, Carr & Griffin, 2011). A response rate of 35 per cent is reasonable for academic studies which involve representatives of organizations (Baruch, 1999). A response rate of 50% is considered acceptable for analysis and reporting (Kumar, 2011). Therefore, the response rate was 60.9%, which is sufficient for analysis and reporting (Kothari & Gang, 2014). The analysis on response rate is depicted in Table 4.1.

Table 4.1: Response Rate

	Frequency	Percent
Questionnaires duly filled and returned	78	60.9
Questionnaires not returned	50	39.1
Total	128	100

4.3 Reliability Test Results

As shown in Table 4.3, the research questionnaire's reliability was assessed using Cronbach's alpha coefficient.

Table 4.2: Reliability of the Research Questionnaire

Constructs	Cronbach's Alpha	Test Items
Customs tea export procedures at the port of Mombasa	0.891	4
Cargo scanning procedures	0.838	4
Gate procedures	0.796	4
Cargo stuffing procedures	0.787	4

The results indicate that customs tea export procedures at the port of Mombasa had the highest Cronbach's alpha coefficient (0.891) with 4 test items. Cargo scanning procedures had the second highest Cronbach's alpha coefficient (0.838), with 4 test items. Gate procedures had the second lowest Cronbach's alpha coefficient (0.796), with 4 test items. It was noted that cargo stuffing procedures had the lowest Cronbach's alpha coefficient (0.787), with 4 test items. Therefore, the research questionnaire was reliable (Sreevidya & Sunitha, 2011).

4.4 Demographic Analysis

The researcher sought demographic information from the respondents. These are the educational level and time the respondents had been in the organization.

4.4.3 Distribution of Respondents by Educational Level

The researcher also analysed the educational levels of respondents. The relevant results of analysis are depicted in Table 4.3.

Table 4.3: Highest Educational Level of Respondents

Educational Level	Frequency	Percent
Post secondary	58	74.4
Graduate	20	25.6
Total	78	100.0

The findings indicate that 58 (74.4%) respondents had attained post secondary education. It was also established that 20 (25.6%) respondents were graduates. This implies that the educational level of the respondents may not have had significant effect on customs tea export process at the port of Mombasa.

4.4.4 Distribution of Respondents by Period of Time in the Organization

The study also examined the distribution of respondents according how long they had worked in their firms. These findings are presented in Table 4.4.

Table 4.4: Period of Time in the Organization

Years	Frequency	Percent
Below 2 years	19	24.4
2 to 5 years	44	56.4
6 to 10 years	15	19.2
Total	78	100.0

The findings indicate that 44 (56.4%) respondents had been in their organizations for 2 to 5 years. 19 (24.4%) respondents had been in their organizations for less than two years. It is also shown that 15 (19.2%) respondents had been in their organizations for 6 to 10 years. It means most of them had the necessary experience in their organizations to understand the customs tea export process at the port of Mombasa.

4.5 Descriptive Analysis

The descriptive statistical tools used were means and standard deviations (Std Dev).

4.5.1 Cargo Stuffing Procedures

As shown in Table 4.5, the researcher sought the opinions of the respondents on cargo stuffing procedures.

Table 4.5: Descriptive Statistics for Cargo Stuffing

	N	Mean	Std Dev
The process of loading and sealing of containers is efficient	78	2.76	1.107
The input of cargo stuffing messages into the Simba system to allow export process to proceed is reliable and convenient	78	2.73	1.101
The loading of containers is supervised by customs officers effectively	78	2.65	1.079
The process of sealing containers after ensuring that only tea is being exported is reliable	78	2.60	.958

The findings indicate that the respondents were undecided on whether the process of loading and sealing of containers is efficient or not (mean = 2.76; std dev = 1.107). The respondents were also undecided on whether the input of cargo stuffing messages into the Simba system to allow export process to proceed is reliable and convenient or not (mean = 2.73; std dev = 1.101). The respondents were undecided on whether the loading of containers is supervised by customs officers effectively or not (mean = 2.65; std dev = 1.079). The respondents were also undecided on whether the process of sealing containers after ensuring that only tea is being exported is reliable or not (mean = 2.60; std dev = 0.958). The findings tend to concur with the findings of a study by Milimu (2015) which noted that there were inadequate machines for loading and off-loading of containers at the port of Mombasa in Kenya.

4.5.2 Gate Procedures

As depicted in Table 4.6, this study also scrutinized the opinions of the respondents on gate procedures.

Table 4.6: Descriptive Statistics for Gate Procedures

	N	Mean	Std. Dev
Confirmation of messages from KRA allowing in tea cargo and the processing of position slips by KPA officials is reliable, effective and efficient	78	3.40	1.132
Customs officers accurately and reliably verify the seal number of the cargo in the Simba system before entry into the port	78	3.24	1.142
Any queries raised about the tea cargo from the bonded warehouse are handled by customs officers effectively	78	3.15	1.094
Customs officers accurately and reliably confirm the message of the cargo in the Simba system before entry into the port	78	2.68	.960

The findings indicate that the respondents were undecided on whether confirmation of messages from KRA allowing in tea cargo and the processing of position slips by KPA officials is reliable, effective and efficient or not (mean = 3.40; std dev = 1.132). The respondents were also undecided on whether customs officers accurately and reliably verify the seal number of the cargo in the Simba system before entry into the port or not (mean = 3.24; std dev = 1.142). The respondents were undecided on whether any queries raised about the tea cargo from the bonded warehouse are handled by customs officers effectively or not (mean = 3.15; std dev = 1.094). The respondents were also undecided on whether customs officers accurately and reliably confirm the message of the cargo in the Simba system before entry into the port or not (mean = 2.68; std dev = 0.960). These findings tend to agree with the findings of a study by Mola (2010) which established that delays occur in clearance process due to the quality of services offered by personnel, IT systems and power failure and poor planning of operations among others at the port of Mombasa in Kenya.

4.5.3 Cargo Scanning Procedures

As revealed in Table 4.7, the opinions of respondents on cargo scanning procedures were also scrutinized.

Table 4.7: Descriptive Statistics for Cargo Scanning Procedures

	N	Mean	Std. Dev
The analysis of scanned images is done accurately and adequately	78	3.59	1.221
The scanning of cargo is fast and convenient	78	3.58	1.063
Document details are recorded accurately and efficiently	78	3.33	1.136
Confirmation of container numbers visa vis the documentation is effective and reliable	78	3.31	1.166

The study results reveal that the respondents agreed that the analysis of scanned images is done accurately and adequately (mean = 3.59; std dev = 1.221). The respondents also agreed that the scanning of cargo is fast and convenient (mean = 3.58; std dev = 1.063). The respondents were undecided on whether document details are recorded accurately and efficiently or not (mean = 3.33; std dev = 1.136). The respondents were also undecided on whether confirmation of container numbers visa vis the documentation is effective and reliable or not (mean = 3.31; std dev = 1.166). at the port of Mombasa in Kenya. The findings support the findings of a study by Adieri (2012) which determined that improved technology has increased efficiency in clearance at the port of Mombasa in Kenya.

4.5.4 Customs Tea Export Procedures at the Port of Mombasa

As depicted in Table 4.8, the views of respondents on customs tea export procedures at the port of Mombasa were also examined.

Table 4.8: Descriptive Statistics for Customs Tea Export Procedures at the Port of Mombasa

	N	Mean	Std. Dev
The tea cargo dwell time at the port of Mombasa is reducing	78	2.69	1.097
The number of tea cargo containers cleared and shipped per day is increasing	78	2.85	1.045
The customs tea export process has minimum delays	78	2.96	1.167
The number of containers cleared but still at the berth per day is decreasing	78	3.13	1.121

The findings indicate that respondents were undecided on whether the number of containers cleared but still at the berth per day is decreasing or not (mean = 3.13; std dev = 1.121). The respondents were also undecided on whether the customs tea export process has minimum delays or not (mean = 2.96; std dev = 1.167). The respondents were undecided on whether the number of tea cargo containers cleared and shipped per day is increasing or not (mean = 2.85; std dev = 1.045). The respondents were also undecided on whether dwell time for tea cargo at Mombasa port is reducing or not (mean = 2.69; std dev = 1.097). The findings tend to support the findings of the study by Mola (2010) which confirmed that delays exist in clearance at the port of Mombasa in Kenya due to factors such as poor planning of operations and poor quality services offered by personnel among others.

4.6 Correlation Analysis

Correlation analysis was conducted to examine the associations between variables. The researcher examined the relationship between the explanatory variables-cargo stuffing, gate procedures, cargo scanning procedures and the dependent variables-customs tea export procedures at the port of Mombasa in Kenya. The results of analysis are presented in Table 4.9.

Table 4.9: Correlation Analysis

		Customs Tea Export Procedures at the Port of Mombasa
Cargo stuffing procedures	Pearson Correlation	.180
	Sig. (2-tailed)	.115
Gate procedures	Pearson Correlation	.433**
	Sig. (2-tailed)	.000
Cargo scanning procedures	Pearson Correlation	.462**
	Sig. (2-tailed)	.000

The findings also indicate that a positive and significant relationship exists between gate procedures and customs tea export procedures at the port of Mombasa ($r = 0.433$; $p < 0.05$). It means improving gate procedures is associated with improved customs tea export procedures at the port of Mombasa and vice-versa. These findings contradict with the results of a study by Adieri (2012) which established that there is a negative and significant relationship between gate waiting time and number of containers/value of cargo at the port of Mombasa in Kenya. The reasons for such conflicting results could be due to the different research approaches as Adieri (2012) adopted a quantitative approach while this study is qualitative.

The findings indicate a positive and significant relationship exists between cargo scanning procedures and customs tea export procedures at the port of Mombasa ($r = 0.462$; $p < 0.05$). This implies that improving cargo scanning procedures is associated with improved customs tea export procedures at the port of Mombasa and vice-versa. The findings reveal that a positive but statistically insignificant relationship exists between cargo stuffing procedures and customs tea export procedures at the port of Mombasa ($r = 0.180$; $p > 0.05$). It means improving cargo stuffing procedures is associated with improved customs tea export procedures at the port of Mombasa and vice-versa. These results of correlation analysis support the finding of Adieri (2012) that improved technology leads to improved efficiency at the port of Mombasa in Kenya.

4.7 Multiple Regression Analysis

The study examined the strength of the relationship between the independent variables and the dependent variable.

4.7.1 Multiple Regression Model Summary

As depicted in Table 4.10, the researcher also examined the combined effect of cargo stuffing procedures, gate procedures and cargo scanning procedures on customs tea export procedures at the port of Mombasa.

Table 4.10: Multiple Regression Model Summary

R	R Square	Adjusted R Square	Std. Error of the Estimate
.571 ^a	.326	.298	.69093

a. Predictors: Constant), Cargo scanning procedures, Cargo stuffing procedures, Gate procedures

b. Dependent Variable: Customs tea export procedures at the port of Mombasa

The findings depict a positive and moderate relationship between cargo stuffing procedures, gate procedures and cargo scanning procedures and customs tea export procedures at the port of Mombasa ($R = 0.571$). It is shown that 29.8% of the variation in customs tea export procedures at the port of Mombasa can be attributed to cargo stuffing procedures, gate procedures and cargo scanning procedures ($R^2_{adj} = 0.364$). These findings denote that implies that cargo stuffing procedures, gate procedures and cargo scanning procedures affect customs tea export procedures at the port of Mombasa. However, model has an error of 0.69093 in predicting customs tea export procedures at the port of Mombasa. These results support the finding of Adieri (2012) that improved operational procedures leads to improved efficiency at the port of Mombasa in Kenya.

4.7.2 Analysis of Variance

The researcher also examined the fit of multiple regression models. As depicted in Table 4.11, the ANOVA tests whether the independent variables have zero regression coefficients (Mugenda & Mugenda, 2013).

Table 4.11: Results of ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Regression	17.062	3	5.687	11.914	.000 ^a
Residual	35.326	74	.477		
Total	52.389	77			

a. Predictors: (Constant), Cargo scanning procedures, Cargo stuffing procedures, Gate procedures

b. Dependent Variable: Customs tea export procedures at the port of Mombasa

The findings indicate that cargo stuffing procedures, gate procedures and cargo scanning procedures have a statistically significant relationship with customs tea export procedures at the port of Mombasa ($F = 11.914$; $p < 0.05$). Moreover, cargo stuffing procedures, gate procedures and cargo scanning procedures should be enhanced as they positively affect customs tea export procedures at the port of Mombasa. These results support the finding of a study by Adrieri (2012) that improved operational procedures leads to improved efficiency at the port of Mombasa in Kenya.

4.7.3 Regression Coefficient

The study also conducted the t-tests to examine the statistical significance of the regression coefficients of cargo stuffing procedures, gate procedures and cargo scanning procedures. The relevant results of analysis are presented in Table 4.12.

Table 4.12: Evaluating Individual Regression Coefficients

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.276	.467		.590	.557
Cargo stuffing procedures	.238	.101	.230	2.355	.021
Gate procedures	.244	.108	.245	2.252	.027
Cargo scanning procedures	.357	.101	.386	3.513	.001

a. Dependent Variable: Customs tea export procedures at the port of Mombasa

The study found out that cargo stuffing procedures positively and significantly affects customs tea export procedures at the port of Mombasa ($t = 2.355$; $p > 0.05$). It was revealed that gate procedures positively and significantly affect customs tea export procedures at the port of Mombasa ($t = 2.252$; $p > 0.05$). The findings indicate that cargo scanning procedures positively and significantly affects customs tea export procedures at the port of Mombasa ($t = 2.252$; $p > 0.05$). It is shown that the three independent variables would be included in the multiple regression equation as they were statistically significant. The constant was excluded as it was not statistically significant ($p < 0.05$) (Mugenda & Mugenda, 2013). The multiple regression function in Equation 4.1 was used to explain the results of analysis.

$$Y = 0.238X_1 + 0.244X_2 + 0.357X_3 \dots \dots \dots \text{Equation 4.1}$$

The findings indicate that improving cargo stuffing by 1 unit improves customs tea export procedures at the port of Mombasa by 0.238 unit ($\beta_1 = 0.238$; $p > 0.05$). It was noted that improving gate procedures by 1 unit improves customs tea export procedures at the port of Mombasa by 0.244 unit ($\beta_2 = 0.244$; $p > 0.05$). The results indicate that improving cargo scanning procedures by 1 unit improves customs tea export procedures at the port of Mombasa by 0.357 unit ($\beta_3 = 0.357$; $p > 0.05$). These results support the finding of Adriani (2012) that improved operational procedures leads to improved efficiency at the port of Mombasa in Kenya.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

In this chapter, the summary of key research findings, the study's conclusions, recommendations and areas for further research are presented.

5.2 Summary

This section outlines a summary of major findings of the study carried out at the port of Mombasa in Kenya. The results relate to cargo stuffing procedures, gate procedures, cargo scanning procedures and customs tea export procedures at the port of Mombasa.

5.2.1 Cargo Stuffing Procedures and Customs Tea Export Procedures at the Port of Mombasa

The researcher noted that the respondents were undecided on whether the process of loading and sealing of containers is efficient or not. The respondents were also undecided on whether the input of cargo stuffing messages into the Simba system to allow export process to proceed is reliable and convenient or not. The respondents were undecided on whether the loading of containers is supervised by customs officers effectively or not. The respondents were also undecided on whether the process of sealing containers after ensuring that only tea is being is reliable or not. A positive but statistically insignificant relationship exists between cargo stuffing procedures and customs tea export procedures at the port of Mombasa ($r = 0.180$; $p > 0.05$). It was noted that improving cargo stuffing procedures by 1 unit improves customs tea export procedures at the port of Mombasa by 0.238 unit ($\beta_1 = 0.238$; $p > 0.05$).

5.2.2 Gate Procedures and Customs Tea Export Procedures at the Port of Mombasa

The study found out that the respondents were undecided on whether confirmation of messages from KRA allowing in tea cargo and the processing of position slips by KPA officials is reliable, effective and efficient or not. The respondents were also undecided on whether customs officers accurately and reliably verify the seal number

of the cargo in the Simba system before entry into the port or not. The respondents were undecided on whether any queries raised about the tea cargo from the bonded warehouse are handled by customs officers effectively or not. The respondents were also undecided on whether customs officers accurately and reliably confirm the message of the cargo in the Simba system before entry into the port or not. A positive and significant relationship exists between gate procedures and customs tea export procedures at the port of Mombasa ($r = 0.433$; $p < 0.05$). It was determined that improving gate procedures by 1 unit improves customs tea export procedures at the port of Mombasa by 0.244 unit. ($\beta_2 = 0.244$; $p < 0.05$).

5.2.3 Cargo Scanning and Customs Tea Export Procedures at the Port of Mombasa

It was agreed that the analysis of scanned images is done accurately and adequately. The respondents also agreed that the scanning of cargo is fast and convenient. The respondents were undecided on whether document details are recorded accurately and efficiently or not. The respondents were also undecided on whether confirmation of container numbers visa vis the documentation is effective and reliable or not. A positive and significant relationship exists between cargo scanning procedures and customs tea export procedures at the port of Mombasa ($r = 0.462$; $p < 0.05$). It means improving cargo scanning procedures by 1 unit improves customs tea export procedures at the port of Mombasa by 0.357 unit ($\beta_3 = 0.357$; $p < 0.05$).

5.2.4 Customs Tea Export Procedures at the Port of Mombasa

The findings indicate that respondents were undecided on whether the number of containers cleared but still at the berth per day is decreasing or not. The respondents were also undecided on whether the customs tea export procedures has minimum delays or not. The respondents were undecided on whether the number of tea cargo containers cleared and shipped per day is increasing or not. The respondents were also undecided on whether the dwell time for tea cargo at Mombasa port is reducing or not.

5.3 Conclusions

This study made a number of conclusions. Firstly, it was concluded that the study found out that cargo stuffing procedures positively and significantly affects customs tea export procedures at the port of Mombasa. It was also concluded that gate

procedures positively and significantly affect customs tea export procedures at the port of Mombasa. The researcher concluded that cargo scanning procedures positively and significantly affects customs tea export procedures at the port of Mombasa.

5.4 Recommendations

To KRA and KPA, the researcher recommends that gate procedures should be improved in order to improve customs tea export procedures at the port of Mombasa. To KRA, the study recommends that cargo stuffing procedures and cargo scanning procedures should be enhanced in order to improve customs tea export procedures at the port of Mombasa.

5.5 Suggestions for Further Studies

To future researchers, they should study further the effects of cargo stuffing procedures, gate procedures and cargo scanning procedures on customs export procedures of other commodities at the port of Mombasa as well as factors affecting the Mombasa port's effectiveness. This could provide important results for policy making and performance improvement as evidenced by the positive relationship between the dependent and independent variables of the study ($R^2 = 0.326$).

REFERENCES

- Adieri, F.S.W. (2012). *Factors affecting efficiency of container freight stations: A case of Mombasa port, Mombasa county, Kenya* (Unpublished master's project). University of Nairobi, Nairobi, Kenya.
- Aminatou, M., Jiaqi, Y., & Okyere, S. (2018). Evaluating the impact of long cargo dwell time on port performance: An evaluation model of Douala International Terminal in Cameroon. *Archives of Transport*, 46(2), 7-20.
- Amit, R., & Schoemaker, P.J. (1993). Strategic assets and Organizational rent. *Strategic Management Journal*, 13, 33-46.
- Bagozzi, R.P. (2007). The legacy of the technology acceptance model and a proposal for a paradigm shift. *Journal of the Association for Information Systems*, 8, 244-254.
- Barney, J.B. (1986). Strategic factor markets: Expectations, luck and business strategy. *Management Science*, 32(10), 1231-1242.
- Barney, J.B. (1991). Firm resources and sustained competitive advantage. *Journal of Management*, 17(1), 99-121.
- Baruch, Y. (1999). Response rates in academic studies – a comparative analysis. *Human Relations*, 52(4), 421-38.
- Brace, I. (2013). Questionnaire design: How to plan, structure and write survey material for effective market research (3rd ed.). London, United Kingdom: Kogan Page Ltd.
- Campbell, A., & Luchs, K. (1997). *Understanding competencies*, In Campbell, A. and Luchs, K. (Eds). London: Thomson.
- Chikere, C.C., & Nwoka, J. (2015). The systems theory of management in modern day organizations - a study of Aldgate Congress Resort Limited Port Harcourt. *International Journal of Scientific and Research Publications*, 5(9), 1-7.

- Collis, D.J., & Montgomery, C.A. (1995). Competing on resources: Strategy in the 1990s. *Harvard Business Review*, July-August, 118-128.
- Conner, K. (1991). Historical comparison of resource-based theory and five schools of thought within industrial organization economics: Do we have a new theory of the firm? *Journal of Management*, 17(1), 121-154.
- Goertz, G., & Mahoney, J. (2012). *A tale of two cultures: Qualitative and quantitative research in the social sciences*. Princeton, New Jersey, United States: Princeton University Press.
- Grant, R.M. (1991). The resource-based theory of competitive advantage: Implications for strategy formulation. *California Management Review*, Spring, 114-135.
- Hamel, G., & Prahalad, C. (1996). *Competing for the future*, Paperback edition. Boston, Massachusetts: Harvard Business School Press.
- Heil, A. (2013). *Systems theory*. Retrieved July 06, 2018, from <http://www.siu.edu/~adheil/Systems%20Theory%20Paper.pdf>
- Khan, J.A. (2014). *Research methodology*. New Delhi, India: APH Publishing Corporation.
- Khorana, S., Verousis, T., & Perdakis, N. (2010). *Perceptions of export problems in EU-India trade: Evidence from small and medium firms*. Retrieved February 09, 2019, from <http://www.etsg.org/ETSG2010/papers/Khorana.pdf>
- Kenyaplex. (2018). Tea dealers and exporters in Mombasa. Retrieved September 09, 2018, from <https://www.kenyaplex.com/business-directory/?categoryid=831&location=mombasa>
- Kihara, G., & Marete, G. (2010, July 13). Study: What causes Mombasa port woes. *Daily Nation*. Retrieved from <https://www.nation.co.ke/business/Study-What-causes-Mombasa-port-woes/996-957048-k2rbeyz/index.html>

- Koopman, K. (2016). *Kenya port of Mombasa*. Retrieved July 06, 2018, from <http://dlca.logcluster.org/display/public/DLCA/2.1.1+Kenya+Port+of+Mombasa;jsessionid=2C5FFC894B9DFCC51EF5C4E3AFB422A6>
- Kothari, C.R. (2004). *Research methodology: Methods and techniques* (2nd ed.). New Delhi, India: New Age International Publishers Limited.
- Kothari, C. R., & Garg, G. (2014). *Research methodology: Methods and techniques* (3rd ed.). New Delhi, India: New Age International (P) Ltd Publishers.
- Kumar, R. (2011). *Research methodology: A step-by-step guide for beginners* (3rd ed.). London, United Kingdom: SAGE Publications Ltd.
- Kumar, R. (2014). *Research methodology: A step-by-step guide for beginners* (4th ed.). Thousand Oaks, California: SAGE Publications Inc.
- Lai, P. (2017). The literature review of technology adoption models and theories for the novelty technology. *Journal of Information Systems and Technology Management*, 14(1), 21-38.
- Lornah, K. (2012, January 5). Kenya: Tea exports suffer from port congestion. *The Star*. Retrieved from <https://allafrica.com/stories/201201060033.html>
- Madhani, M.P. (2010). *Resource based view (RBV) of competitive advantage: An overview*. Retrieved from <https://www.researchgate.net/publication/45072518>
- Mghenyi, C. (2017, Dec 02). KRA officials blamed for slow cargo clearance. *The Star*. Retrieved from https://www.the-star.co.ke/news/2017/12/02/kra-officials-blamed-for-slow-cargo-clearance_c1676881
- Milimu, S.C. (2015). Factors affecting containerized cargo clearance at Kenya Port Authority. *The International Journal of Business & Management*, 3(9), 404-424.
- Mola, K.S. (2010). *Determinants of container dwell time: The case of Mombasa port* (Unpublished master's project). University of Nairobi, Nairobi, Kenya.

- Mugenda, A.G. (2008). *Social sciences research: Theory and principles*. Nairobi, Kenya: Applied Research and Training Services.
- Mugenda, O. M., & Mugenda, A. G. (2013). *Research methods: Quantitative and qualitative approaches*. Nairobi, Kenya: Acts Press.
- Musyoki, J. (2017, November 10). Scanning technology at ports will expedite cargo clearance. *The Star*. Retrieved from https://www.the-star.co.ke/news/2017/11/10/scanning-technology-at-ports-will-expedite-cargo-clearance_c1667179
- Nachmias, C.F., & Nachmias, D. (2008). *Research design: Qualitative, quantitative, and mixed method approaches* (4th ed.). Thousand Oaks, CA: Sage.
- Newbert, S.L. (2007). Empirical research on the resource-based view of the firm: An assessment and suggestions for future research. *Strategic Management Journal*, 28, 121–146.
- Ogula, A.P. (2010). *A handbook on educational research* (2nd ed.). Port Victoria, Kenya: New Kemit Publishers.
- Raballand, G., Refas, S., Beuran, M., & Isik, G. (2012). *Why does cargo spend weeks in Sub-Saharan African ports? Lessons from six countries*. Washington, D.C., United States of America: The World Bank.
- Refas, S., & Cantens, T. (2011). *Why does cargo spend weeks in African ports? The case of Douala, Cameroon*. Washington, D.C., United States of America: The World Bank.
- Saunders, M., Lewis P., & Thornhill, A. (2009). *Research methods for business students* (5th ed.). New Jersey, United States: Prentice Hall.
- Seif, M. (2014, October 21). Cost of doing business remains high despite port's 24-hour working directive. *Standard Digital*. Retrieved from <https://www.standardmedia.co.ke/business/article/2000138905/cost-of-doing-business-remains-high-despite-port-s-24-hour-working-directive>

- Sekaran, U., & Bougie, R. (2010). *Research methods for business: A skill-building approach* (5th ed.). Haddington: John Wiley & Sons.
- Spanos, Y.E., & Lioukas, S. (2001). An examination into the causal logic of rent generation: Contrasting Porter's competitive strategy framework and the resource based perspective. *Strategic Management Journal*, 22, 907-934.
- Sreevidya, U., & Sunitha, K. (2011). *Business research methods*. Retrieved from http://www.universityofcalicut.info/SDE/business_research_methods.pdf
- Uzzaman, A.M., & Yusuf, A.M. (2011). The role of customs and other agencies in trade facilitation in Bangladesh: Hindrances and ways forward. *World Customs Journal*, 5(1), 29-42.
- Venkatesh, V., & Davis, F. D. (2000). A theoretical extension of the technology acceptance model: Four longitudinal field studies. *Management Science*, 46(2), 186-204.
- Venkatesh, V., Morris, M.G., Davis, F.D., & Davis, G.B. (2003). User acceptance of information technology: Toward a unified view. *MIS Quarterly*, 27, 425-478.
- Wahome, J. (2017, February 27). Smart gadgets enhancing the ability to detect illicit cargo. *Daily Nation*. Retrieved from <https://www.nation.co.ke/oped/opinion/Smart-gadgets-enhancing-the-ability-to-detect-illicit-cargo/440808-3830366-c0bbw0z/index.html>
- Yamane, T. (1967). *Statistics, an introductory analysis* (2nd ed.). New York, USA: Harper and Row.
- Zikmund, G.W., & Babin, J.B., Carr, C.J., & Griffin, M. (2011). *Business research methods* (8th ed.). Nashville, United States of America: Southwestern Publishing Group.

KRA/KESRA/MSA/002

09th October, 2017

TO WHOM IT MAY CONCERN

Dear Sir/Madam,

RE: MARILYN AWUOR MIKWA (ADM NO. HDB335 - C016 - 2405/2016)

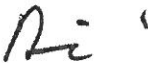
This is to confirm that the above named is a bona fide student of the Kenya School of Revenue Administration (KESRA), Mombasa Campus, pursuing a Postgraduate diploma in Customs Administration.

Marilyn is in her final semester and is conducting a research project titled ***"Factors affecting Customs Tea Export Process at the Port of Mombasa."*** Presently, she is in the process of gathering data and thereafter, write her project that will **STRICTLY** be used for **ACADEMIC PURPOSES ONLY**.

Regarding this issue, the School would like to seek your permission to allow her collect information that relates to her research from your organization.

Thank you in advance for your support and cooperation.

Yours sincerely,



Mutuvi Masila,
Ag. Principal – KESRA, Mombasa Campus.



Tuliye Ushuru Tujitegemee !

Appendix II: Research Questionnaire

This questionnaire is designed to gather research information for an academic study entitled "*factors affecting customs tea export procedures at the port of Mombasa*".

Questionnaire number

Section A: General information

Kindly put a tick (✓) against the correct choice in the spaces provided

1. What is your highest level of education?

Primary [] Secondary [] Post secondary [] Graduate []
Post graduate [] Specify any other.....

2. For how long have you been working in this organization?

Below 2 years [] 2-5 years [] 6-10 years [] Above 10 years []

Section B: Cargo Stuffing Procedures

You are required to indicate your level of agreement/disagreement with the statements in the table below using the following 5-point Likert scale: 1 = Strongly disagree; 2 = Disagree; 3 = Neutral; 4 = Agree and 5 = Strongly Agree. Kindly put a tick (✓) against the correct choice.

	1 Strongly disagree	2 Disagree	3 Neutral	4 Agree	5 Strongly agree
1. The loading of containers is supervised by customs officers effectively					
2. The process of sealing containers after ensuring that only tea is being exported is reliable					
3. The process of loading and sealing of containers is efficient					
4. The input of cargo stuffing messages into the Simba system to allow export process to proceed is reliable and convenient					

Section C: Gate Procedures

You are required to indicate your level of agreement/disagreement with the statements in the table below using the following 5-point Likert scale: 1 = Strongly disagree; 2 = Disagree; 3= Neutral; 4 = Agree and 5 = Strongly Agree. Kindly put a tick (✓) against the correct choice.

	1 Strongly disagree	2 Disagree	3 Neutral	4 Agree	5 Strongly agree
1. Customs officers accurately and reliably confirm the message of the cargo in the Simba system before entry into the port					
2. Customs officers accurately and reliably verify the seal number of the cargo in the Simba system before entry into the port					
3. Any queries raised about the tea cargo from the bonded warehouse are handled by customs officers effectively					
4. Confirmation of messages from KRA allowing in tea cargo and the processing of position slips by KPA officials is reliable, effective and efficient					

Section D: Cargo Scanning Procedures

You are required to indicate your level of agreement/disagreement with the statements in the table below using the following 5-point Likert scale: 1 = Strongly disagree; 2 = Disagree; 3= Neutral; 4 = Agree and 5 = Strongly Agree. Kindly put a tick (✓) against the correct choice.

	1 Strongly disagree	2 Disagree	3 Neutral	4 Agree	5 Strongly agree
1. Document details are recorded accurately and efficiently					
2. Confirmation of container numbers visa vis the documentation is effective and reliable					
3. The scanning of cargo is fast and convenient					
4. The analysis of scanned images is done accurately and adequately					

Section E: Customs Tea Export Procedures at the Port of Mombasa

You are required to indicate your level of agreement/disagreement with the statements in the table below using the following 5-point Likert scale: 1 = Strongly disagree; 2 = Disagree; 3= Neutral; 4 = Agree and 5 = Strongly Agree. Kindly put a tick (✓) against the correct choice.

	1 Strongly disagree	2 Disagree	3 Neutral	4 Agree	5 Strongly agree
1. The customs tea export process has minimum delays					
2. The tea cargo dwell time at the port of Mombasa is reducing					
3. The number of tea cargo containers cleared and shipped per day is increasing					
4. The number of containers cleared but still at the berth per day is decreasing					

Appendix V: List of Tea Exporters in Mombasa, Kenya.

1. Abbas Traders Ltd, Mombasa
2. Afham Trading Ltd, Mombasa
3. Al-Emir Ltd, Mombasa
4. Al-Nakhil Enterprises Ltd, Mombasa
5. Cargil Ltd, Mombasa
6. D J Lowe and Company Ltd, Mombasa
7. Elamin Trading Company Ltd, Mombasa
8. Fin Tea Ltd, Mombasa
9. Global Tea and Commodities (K) Ltd, Mombasa
10. Gokal Trading (Kenya) Ltd, Mombasa
11. Gold Crown EPZ
12. Janish Tea Ltd, Mombasa
13. Ken Elbagara Tea Exporters Ltd, Mombasa
14. Kenya Tea Development Agency Ltd
15. Kipkebe Ltd, Mombasa
16. Lexim Ltd, Mombasa
17. Lindop and Company (K) Ltd, Mombasa
18. Lutex Ltd, Mombasa
19. M J Clarke Ltd, Mombasa
20. Mombasa Packers Ltd, Mombasa
21. Ranfer Teas (K) Ltd, Mombasa
22. Stansand (Africa) Ltd, Mombasa
23. Tanjal Investments Ltd, Mombasa
24. Van Rees BV, Mombasa
25. Williamson Tea Ltd, Mombasa

Source: Kenya Tea Development Agency

