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Impact of Inventory Management on the Market Value of Manufacturing Firms in Nigeria

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Abstract
The study examines the effect inventory management on the market value of Nigerian industrial companies. In order to gather data, the study employed both primary and secondary research tools. All of Nigeria's listed manufacturing companies during the ten-year period from 2011 to 2020 make up the study's population. Two hundred workers from the manufacturing companies' finance and retail departments were the intended audience for the structured questionnaire. Secondary data was sourced using the enumeration technique. The study tool produced a Cronbach Alpha reliability test of 0.925, falling between 0.70 and 0.80. Additionally, 170 of the total dispersed surveys were retrieved, indicating an 85% response rate. From the audited annual reports and accounts, secondary data was gathered over a ten-year period. Because of the research questions this study raised, inferential statistics were used to perform the hypothesis tests. Additionally, inventory control has a beneficial impact on the market value of Nigerian industrial companies listed on the stock exchange, according to the study. This study found that the market value of listed Nigerian industrial businesses is significantly impacted by inventory management. According to the study, managers should improve their key supplier connections and implement sufficient automated security to monitor inventory movement throughout the company.

Introduction

Companies from all over the globe are fighting for a larger market share as the business world grows at a very fast pace. This is made possible by globalization which allows firms to market their products to clients irrespective of the location of the latter. Also, due to increased technological developments consumers are more informed on the availability of specific goods and services in other countries and therefore the demand of specific goods and services has become enlightened. If similar products and services offered by domestic organisations do not meet the international standards in terms of quality, delivery time and cost, customers' awareness of specific goods and services in various countries may lead to the obsolescence of such products and services (Thanasak & Patricia, 2013). To achieve this goal, there are key strategies that need to be put in place in businesses and these include; Creating customer value, achieving business profitability and market share. As stated by Raymond, Vincent, Mercy, and Bellah (2015), some of the best practices for achieving market share are; marketing strategy, product design and packaging, cheaper prices, fast delivery, product quality, and quality employees. By this inference, customer satisfaction shall be understood that its cause is more oriented towards the quality of the product rather than other types of business activities. This is because all other approaches are successful if quality is assured. Customers will only be willing to pay for a good or service if he or she is assured of the value and satisfaction that the product will offer. In the view of Vipulesh (2015), the materials/inputs used and the technology used to process the materials/inputs determine the quality of the final product. This is based on the understanding that the outcome of processing high quality material with low technology equipment or low-quality material with high technology equipment is not desirable. Current assets also remain the highest cost for manufacturing and trading organizations because of the nature of their operations (Vipulesh, 2015). Hence, inventory and the materials used in production are crucial in fulfilling organizational goals for quality delivery. In view of this,

fundamental controls are recommended for businesses to enable the right quantity and quality of supplies to be delivered to the right place at the right time and for the right price.

For the firm to realize high and sustainable financial returns, the operating environment determines the implementation of sound inventory management practices. As stated by Timothy, Patrick, Nebat, and Virginia (2013), the majority of firms are established in relatively more competitive, formal, and friendly environments than firms in Africa. Some of the countries are United Kingdom, United States of America, Germany and Japan. Since the environment encourages inventory planning and control within enterprises, the competitiveness of business in the industrialized world coupled with an organized business environment allows them to exercise efficient inventory control. Despite the fact that competition hinders inventory planning and control, lack of trust between inventory suppliers and businesses, and lack of coordination between ordering and inventory handling units within an organization, inventory control techniques to enhance high financial performance is still wanting in Africa, Nigeria in particular This has been making manufacturing companies less profitable because of high production costs. The general driving force of every organization is profits, and the best way to achieve this is by reducing on the costs as much as possible. When the right inventory is adopted in production, a declining profit can be solved by reducing waste, enhancing productivity and profitability. Overcome with risks of stock outs and put / obsolescence whereby wrong amounts of inventories are bought in wrong times thus costing much and reducing the profitability of businesses. Also, this will help the business to get quality discounts, which will help the business to get items at cheaper prices and thus increase profit. Likewise, the money that was tied up in inventories could have earned even better returns. Inventory management is viewed as one of the ways of countering the declining profitability problems that have affected most organisations in the recent past especially manufacturing firms (Akpakip, 2017). The subsequent parts of the paper describe the aims and objectives of the study, hypotheses, literature review, methodology, data analysis and findings,

Literature Review

Theoretical Review

Lean theory was determined to be the most suitable inventory theory for this investigation because it makes the claim that a lean or decreased inventory system increases a company's profitability by lowering the expenses associated with keeping inventory. The Lean Inventory Theory was created at the Arsenal in Venice in the 1450s using Henry Ford's integrated manufacturing process model. As an extension of just-in-time inventory management, lean inventory theory is an inventory control concept that emphasizes the significance of maintaining the least amount of inventory while meeting manufacturing process requirements (Eroglu & Hofer, 2011). The pioneer of the lean inventory theory, which is predicated on the notion of having low stockpiles in a firm. By concentrating on manufacturing, storage, and the entire supply chain, the lean inventory theory aims to save costs in an organization's inventory system (Troxell, 2015). Jolla (2014) noted that the foundation of the theory (Lean) is the Economic Order Quantity (EOQ) postulate, which seeks to optimize inventory quantity by determining the appropriate quantities of inventory to order at a particular moment. The idea also suggests that the operating and manufacturing systems that track inventory levels may be made more dynamic, and that different types of inventories would need different approaches. The net cash flow of a business in a competitive market is negatively impacted by excess inventory. According to Nyabwanga (2013), the lean inventory theory aids businesses in gaining a competitive edge, expanding their market share, and improving their profitability. The topic of this study was conceptually explained using the lean inventory theory. The necessity of establishing a connection between inventory management and organizational success, as well as the necessity of taking time when managing inventories, support this decision. By reducing

their inventory and related expenditures, it also aids businesses in maximizing their return on investment.

Conceptual Review

The market value of a product or asset is its price on the open market. The parties involved will frequently agree on this value. This value will form a significant portion of the reserve price for the strategic sale. The companies should value the land and other physical assets based on relevant market values and other relevant factors. For instance, the insurable interest of a piece of real estate would most likely be its market value. The ground of the property must be assessed individually because it is not taken into account when determining the insurable value.

The organization's main goal in the market value of equity situation is to raise the value of the company's equity shares. The market value of a company's equity shares, which are regularly traded on stock exchanges, reflects the wealth of equity shareholders. The shareholders' wealth only increases in value when the share value is at its maximum.

Calculating an asset's market capitalization is made easier by using market value. The total number of outstanding shares and the current share price can both be used to determine a company's market capitalisation. Simply calculate the stock's current market price by the total number of outstanding shares to determine the value. One of the key elements that helps an investor determine the share's profitability and risk is market capitalization. Additionally, it aids investors in selecting stocks that satisfy their requirements for risk and variety. The share price during the previous six months will also start to be considered a measure of merit in the case of publicly traded companies.

Kilonzo et al. (2016) describe inventory as slow-moving physical assets or stock that possess a high economic value and which firms hold for packaging, processing, or sale. Every business has different kinds of stock depending on the type of business and the cost of each kind. In other words, other organizations can use the finished goods inventory of one firm as input. The inventory as stocks of raw materials, semi-finished products, and finished products that firms hold to support production. Ashok (2013) has defined inventory as “the aggregate of all raw materials, work in progress, goods that are intended to be sold by an enterprise in the course of its trade, materials and articles that are to be used for such sale and are in a state of being ready to be made available for sale.” It is possible to save money by applying different approaches to inventory control, and thus, to enhance the profit level. A range of inventory controls that have been categorized and will be compared to other inventory control systems have been chosen for the analysis. Just-In-Time and Safety Stock Level, Strategic Supplier Partnership and Material Requirement Planning, and Regular Stock Taking and Use of Technology are the factors that help in inventory security. Inventory Usage Control (Just-In-Time and Safety Stock Level) are the two major types of Inventory control as well as their classifications.

Inventory Procurement Control

In order to create a range of products, the businesses may either buy the stock or manufacture it. It is also possible that an organization may still have to source the component parts from outside when the materials have to be produced within the organization for some quality considerations. This requires procurement controls that seek to among other things predict and establish future inventory requirements, evaluate the strength and reliability of the suppliers and build sound negotiation capabilities. This study examines two procurement controls: for material and supplier logistics as capabilities of strategic planning for an efficient procurement. A supplier partnership, as defined by Timothy et al. (2013), is a contract between the customers/firms and the suppliers/vendors to create a strategic alliance with the conditionality of the win-win situation. This idea posits that the strategic vendor alliance is more interested in harmonious customer-supplier relations than in adversarial ones. The need for and evolution of

the concept of a "Strategic Suppliers Partnership" started in the 1980s due to the shift of businesses to the "Just-in-Time" production model that aimed at minimizing scrap, reducing lead time, increasing flexibility, and simplifying the supply of large component parts by suppliers. Material requirement planning is the process of determining the inventory component requirements needed to meet the company's master production plan by working backwards from a master production flow plan's schedule of quantities and specification of the need dates for finished products (Raymond, et al., 2015). Caroline et al. (2017) defined that procurement/material requirement planning covers the entire process of acquiring inventory, starting from the time when the business identifies or defines its inventory requirement and also when it prearranges its procurement needs.

Inventory Security Control

Whether the inventory is for manufacturing or for sale as completed goods, businesses that use inventory should aim to have some kind of inventory protection strategy in place to lessen instances of inventory loss. Given the enormous sums of money invested in inventory and the effects that a loss of inventory due to inadequate security measures has on the production line and the company's resources, every firm must guarantee the safety of its inventory. The acquired inventory, used inventory, and unused inventory will always be equal because of the security measures or controls. All industrial and mercantile businesses must have a suitable and formal system in place to guarantee the internal security of their inventory (Benjamin & Daniel, 2016). Businesses will be able to create defined policies to manage inventory security issues if inventory handlers and storage specialists are able to accomplish internal inventory security (Troxell, 2015). Internal inventory security policies, also known as internal inventory loss prevention techniques, are often established by management. By recording records, methods, and sequences in marking, stock taking, documented procedural stock audit and surveillance, and stock checking procedures, businesses employ internal controls to guarantee inventory security (Jolla 2014). Businesses will be able to create defined policies to manage inventory security issues if inventory handlers and storage specialists are able to accomplish internal inventory security (Troxell, 2015). Internal inventory security policies, also known as internal inventory loss prevention techniques, are often established by management. According to Jolla (2014), businesses employ internal controls to guarantee inventory security by recording records, processes, and sequences in marking, stock taking, documented procedural stock audit and surveillance, and stock checking procedures.

Inventory Usage Control

Companies purchase and hold stock to use in the creation or production of goods. On the other hand, the type of demand that the company has and the size of the business do influence the effectiveness of stocks. Most organizations desire to have buffer or safety stock on ground to ensure that production is not affected when ordered stocks are being delivered, but some may only hold inventory to make predetermined products. The inventory usage restrictions used in this study are Just-in-Time and Safety/Buffer Stocks. As a result, organizational strategies for managing inventory waste are referred to as just-in-time inventory and production, also known as zero-stock inventory and production, where the focus is on acquiring stocks that are necessary to manufacture certain goods. This is an inventory management tool whereby only the required resources are stocked in the right place at the right time to produce a certain number of products. Anichebe (2013) defined safety stock as the number of inventories that firms hold to avoid stock out due to factors such as lead time, inventory forecasting, quantity delivery variance and inventory price variation. This definition prescribes that a company's safety inventory must consider the consumption behavior of the company's inventory and this is usually determined by analyzing the company's past consumption records or estimating the future consumption. According to Anichebe (2013), demand volatility is a problem because inventory control cannot determine the optimal stock safety level.

Empirical Review

A lot of research has been done on how inventory management affects the financial success of businesses in various nations. Benjamin and Daniel (2016) examined the effects of inventory control on return on asset and procurement control as well as the financial performance of agrochemical dealers and distributors in Nakuru Central Sub-County. A drop-and-pick method was employed to distribute questionnaires to one hundred participants. The study's dependent variable is the return on investment (ROI), which is impacted by the deployment of technology in strategic suppliers and stock records. Regression study with SPSS showed a strong correlation between the strategic suppliers and the return on assets of the examined businesses.

Kwadwo (2016) used a cross-sectional study methodology to explore the effectiveness of manufacturing companies that achieved high profitability in order to determine the effect of effective inventory control on Ghanaian manufacturing profitability. A questionnaire survey covering the years 2004–2014 and the annual reports of four manufacturing companies listed on the Ghana Stock Exchange were the sources of both primary and secondary data. Routine stock taking and strategic supplier alliances were the independent variables, whereas ROA and NPM were the dependent variables. OLS analysis of the data revealed a positive and substantial link (NPBT) between profitability and strategic supplier relationships.

Similar to this, Timothy et al. (2013) used technology, lean inventory, strategic supplier partnerships, material requirement planning, and performance measurement by ROA and NPBT to investigate how inventory management practices affected the financial results of eight Kenyan sugar manufacturing companies for the fiscal years 2002–2007. In order to collect primary and secondary data from the companies' yearly financial statements included in their year books, the study used an ex post facto research design and survey method. Descriptive statistics and correlation analysis were used to explain the methods in inventory control. The nature and the extent of the relationship between the dependent and independent variables was established by correlation analysis. The analysis of the results of the study indicates that there is a positive and statistically significant relationship between NPBT and strategic supplier contacts.

JIT, CIS, SSR and MRP were employed by Raymond et al. (2015) as proxies for inventory control practices in the financial performance of businesses in Mombasa County (textile, rolling mill, and food and beverage manufacturing businesses in Mombasa County). For the assessment of the financial performance of the investigated firms, return on assets (ROA), return on equity (ROE), and net profit before tax (NPBT) were employed. The Split Half Reliability Test was employed to measure the reliability of the research instruments. The research results indicated that the nature of strategic supplier relationships does not affect the NPBT of the analysed firms. The findings of the study are similar to those of Ogbo, Onekanma, and Wilfred (2014) as well as Pawan and Bahl (2014) where demand management was associated with financial performance of 7up bottling company, the Enugu factory and many organizations in Iran.

Raymond et al. (2015) investigated the relationship between inventory control and the financial performance of firms in Mombasa County – textile, rolling mill, and food and beverage manufacturing firms – using JIT, CIS, S-SR, and MRP as measures of inventory control practice. This study was done in support of Kennedy et al., (2009) submission. The Split Half Reliability Test was employed in order to measure the reliability of the research instruments. The research study also reveals that there is no correlation between the companies' ROA and their strategic supplier agreements or material need planning.

Salawati, Michael, and Norlina (2012) conducted a study to determine the relationship between inventory control practice and firm performance and between capital intensity on eighty-two (82) construction enterprises in Malaysia for the period of 2006 to 2010. Independent variables were operationalized as Material requirement planning, computerized inventory systems, and use of technology while Return on Assets (ROA) was used to measure the level of financial performance. The correlation and regression analysis also revealed a negative relationship between the planning of material requirements and the return on assets of the investigated organizations.

Methodology

As part of the research technique for this study, ten (10) manufacturing companies listed on the Nigerian Stock Exchange provided both primary and secondary data throughout a ten-year period from 2011 to 2020. A field survey study design was used because of the type of data required to record the independent variables. 200 structured questions on a Likert scale were distributed in order to gather primary data because secondary sources (annual reports) were unable to give information on the company's suppliers, material handling technology, or stock taking technique. A total of 170 questions, or 85% of all disseminated surveys, were found. Out of twelve (12) employees that had direct responsibilities for inventory control, the responders were chosen at random. To corroborate the findings from the source data, an empirical survey (ex post facto) was conducted to evaluate inventory control as the duration of inventory turnover. Using Excel and E-views 11.0 software, the data gathered from the administered questionnaire was coded and subjected to multiple regression analysis and percentage analysis. A basic linear regression model was used to investigate the association between inventory turnover period and financial performance in order to compare the study's conclusions with the source data. To make sure the model was accurately stated for the estimation and to prevent biased findings, the serial correlation test and the heteroscedasticity test were used following the estimation. Stata 16 was used for the analysis of the secondary data sources. This study investigated the effect of inventory control on the market value of Nigerian listed manufacturing businesses. The econometric model created by Enock et al., (2017) was used but with the following changes:

$$ROAit = a0 + \beta 1EOQit + eit \quad (1)$$

Where:

ROAit = dependent Variable at time t (market value)

a0 = the constant term

β1 = EOQit = independent variable (inventory control) and its change (β1) at time t, and eit = the error term

Market value (MV) is the study's dependent variable, whereas inventory control (IC) is the study's independent variable. In order to create the model for this study, the model of Enock (2017) was modified as follows:

$$MVit = a0 + \beta 1Inventory\ Controlit + eit \quad (2)$$

The regression equation for this study as stated thus:

$$MVi = a0 + \beta 1IPCi + \beta 2ISCi + \beta 3IUCi + ei \text{ (using primary data)} \quad (3)$$

$$ROAit = \beta 0 + \beta 1ITPit + \mu it \text{ (using secondary data)} \quad (4)$$

Where: IPC = inventory procurement control

ISC = inventory security control

IUC = inventory usage control

ITP = inventory turnover period

MV = market value

ROA = return on assets

Data Analyses, Results, and Discussion of Findings

The results of the regression analysis on the effect of inventory control on market value of listed manufacturing firms in Nigeria is as shown in Tables 1 and 2 respectively.

Table 1. inventory control and Market value

Variable	Coefficient	Std. Error	t-stat.	Prob.
IPC	1.743	0.676	2.697	0.031**
ISC	0.899	0.166	4.731	0.047**
IUC	1.542	0.392	2.702	0.062**
Constant	2.733	1.244	2. 197	0.772
R-squared	0.654			
F-statistics	**8.33(0.01**)**			
(Prob)	Impact of Inventory Management on the Market Value of Manufacturing			

Source: Researcher's Computations, (2023)

Table 1 supports the fact that IPC has a significant positive impact on market value at 5% significant level (= 0.031) as a result of the regression analysis done to determine the effect of inventory control on market value. This research shows that an increase in inventory control by one unit will result in 1.743 increase in market value of the company. This research work refutes the null hypothesis that inventory procurement control has no significant impact on financial performance by revealing that the market value of the listed manufacturing businesses in Nigeria increases by 1.743 units for every unit of inventory control. The market value of the Nigerian listed manufacturing businesses was also established to have a positive and significant relationship with Inventory Security Control (ISC) with the p-value of 0.047 being less than the 5% significant level. The analytical coefficient of 0.899 shows that, for each unit increase in inventory security control, the market value would increase by 0.899. This means that the market value of the listed manufacturing businesses in Nigeria rises by 0.899 for every improvement in the inventory security management. This research work therefore rejects the hypothesis that inventory security control exerts negligible influence on the market value of the listed industrial businesses in Nigeria. The market value of manufacturing businesses is greatly enhanced by inventory security management solutions.

It was also observed that the results of the multiple regression model presented in Table 1 indicated that IUC had a positive effect on market value with a p-value of 0.062 being less than the 5% stated level of significance. From the 1.542 coefficient, the study establishes that for every unit increase in inventory usage control, the market value improves by 1.542 units. Therefore, the null hypothesis of the study that inventory utilization control does not significantly impact the market value of the listed manufacturing businesses in Nigeria is rejected. Thus, control of inventory usage has a positive and significant impact on the market value of the listed industrial enterprises. When the total impact of inventory control (inventory procurement control, inventory security control, and inventory usage control) has been considered, the F-statistics of 0.01 (less than 5% accepted significance level) shows that inventory control (inventory procurement control, inventory security control, and inventory usage control) influences the market value of Nigerian listed manufacturing firms. The market value can fluctuate by 65.4 percent due to changes in inventory control (inventory procurement control, inventory security control, and inventory usage control), the rest of 34.6 percent can be

attributed to other factors not included in this model due to the coefficient of multiple determination of 0.654. Finally, this study rejects the null hypothesis that inventory control (inventory procurement, inventory security, and inventory usage control) has insignificant impact on the market value of Nigerian manufacturing firms listed on stock exchanges.

Table 2. Regression Analysis (Pooled OLS)

Variables	Coefficient	Std. Error	t-tes	Prob.
Constant	3.64	1.04	2.75	0.002**
ITP	4.64	4.33	0.54	0.611**
R2; F-stat (Prob)	0.0062; F(1100)=0.69			0.41
Hausman Test	Chi2(1)=8.22			0.46
Testparm	F(21,84)=1.31			0.65
Heteroskedasticity test	Chi2(1)=0.74			0.43
Serial Auto-correlation test	F(1,5)=0.088			0.74

Source: Researchers' Result using STAT 16.

Table 2 presents the Hausman test findings, which were used to evaluate fixed and random regression estimators. With a minuscule probability value (p-value of 0.46), the results of the confirmatory tests, which were carried out using the testparm test, invalidate the findings of the Hausman test, indicating that the fixed effect that was selected was not suitable for the estimation. Pooled OLS is therefore found to be the optimal choice. The Breusch-Pagan/Cook-Weisberg Test can be used to determine whether heteroscedasticity is a problem or whether the differences in the model's residuals over period "t" in both models display a trend over time.

The model does not exhibit heteroscedasticity, as evidenced by the p-value of 0.65, which shows that the variation in the residuals of the model does not change with time. An unhealthy relationship between the model's coefficients and residuals would result in smaller error terms and a higher coefficent of determination, which is why the Wooldridge test was used to assess whether these relationships existed. The test's p-value of 0.74 supports the null hypothesis that there is no first order autocorrelation. Building the model on the results of the diagnostic tests is done using Pooled Ordinary Least Square.

Inventory Turnover Period (ITP) has a negligibly positive effect on market value (Return on Asset), according to Table 2's regression analysis results, with a p-value of 0.611, higher than the 5% level of significance used in this study. Unlike the results of the initial data analysis, which showed that the integrated inventory control method significantly affected market value

It could be found that inventory value, which is just a valuation of an entity's closing inventory at the end of reporting periods, is not enough to reflect all of the inventory control procedures implemented by the management of the company. Consequently, the distribution of a structured questionnaire was selected as the primary method of gathering data. The questionnaire was intended to gather information on three key aspects of inventory planning and control: inventory procurement, inventory security, and inventory usage. Inventory procurement control, inventory security control, and inventory usage control are the three categories of inventory planning and management. The results of both primary and secondary data show that the information gathered by administering a structured questionnaire is more comprehensive and trustworthy than

information gathered by only examining how closing inventory value affected the returns of the ten (10) manufacturing companies that were sampled.

Discussion of Findings

Regression research shows that inventory procurement control has a positive and significant effect on market value. The outcome is in line with the a priori forecasts. Timothy et al. (2013) and Kilonzo et al. (2016) found that inventory procurement control tactics such as strategic supplier alliances and material requirements planning significantly improved firm financial performance. The findings of this study contradict those of Raymond et al. (2015), who looked at how inventory control procedures impacted the financial performance of Mombasa Country businesses (textile, rolling mill, and food and beverage manufacturing companies). As substitutes for inventory management procedures, they asserted that there were no significant connections seen when JIT, Computerized Inventory Systems, Strategic Supplier Relationships, and Material Requirement Planning were used. The study's theoretical foundation, Kitaeva's (2014) assertion that long-term supplier-customer relationships help businesses achieve optimal inventory control and safeguard themselves against environmental and organizational changes, both internal and external, is also supported by the results. The study's findings demonstrate that inventory security control greatly enhances financial performance. This conclusion corroborates the findings of Raymond et al. (2015) that computerized inventory systems are positively and significantly correlated with the return on equity of the research companies, as well as Kariuki's (2013) findings that regular stock taking is strongly correlated with financial success. In their respective studies, Kilonzo et al. (2016) and Salawati et al. (2012) discovered a strong positive correlation between the financial performance (ROA) of the firms they examined and the use of technology. Yet, Cynthia and Amuhaya (2015) did not discover any connection between the use of technology in inventory control and the return on equity of sugar companies in the West region. The findings align with the lean inventory production theory, which serves as the study's theoretical foundation and is predicated on the idea of maintaining low stock levels within a company. Its foundation was the notion that decisions affecting manufacturing and warehousing as well as the rest of the supply chain might optimize inventory costs (Troxell, 2015).

Based on the findings of this study, the market value of manufacturing companies listed in Nigeria is positively and significantly impacted by inventory utilization control. There is a weakly negative correlation between JIT and financial performance (Fariza et al., 2015). JIT and the performance (ROCE) of the businesses under investigation are unrelated, according to Agu et al. (2017). Financial performance and safety stock do not significantly correlate, according to Thanasak et al. (2013). The findings corroborated those of Adeyemi and Salami (2010), who examined the effects of inventory control on the operations of a Nigerian bottling company's Ilorin plant and discovered a strong correlation between safety stocks and financial performance (ROCE); Enock et al. (2017); and Akin (2016), who examined the relationship between safety stock, service level, and inventory control and a company's financial performance. Lean inventory theory argues that by reducing extra buffer stocks and inventory waste, it allows for greater production process flexibility. The study's results also support this idea.

Conclusion and Recommendations

This study looked at how the market value of manufacturing companies listed in Nigeria was affected by inventory control, including inventory procurement, inventory security, and inventory usage control. A numerical description of every variable under study was acquired in order to illustrate the change in values and pinpoint the fluctuations of each independent variable with the dependent variables. The market value of listed conglomerate businesses in Nigeria was significantly impacted by inventory control, including inventory procurement, inventory security, and inventory usage, according to the results of the multiple regression study. In order to minimize theft, the research suggests that management strengthen their ties with suppliers,

meet with them on a regular basis to discuss critical concerns pertaining to inventory acquisition, and endeavor to have an effective supply chain. Management should make sure that adequate security measures are in place to stop unauthorized access to inventory.

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