

ABSTRACT

The purpose of the study was to investigate the factors affecting profitability of supermarkets in Kenya with reference to Narok Town as the case study. The study objectives were; to find out the effect of Cash Budgeting on profitability of supermarkets; to assess the effects of Cash Collection period on profitability of supermarkets and also to determine the effects of Cash Disbursement on profitability of supermarkets. The study was confined to the two main supermarkets i.e. Naivas supermarket and Tuskys supermarket, which are both located in Narok town. The research design employed was Descriptive research. The study targeted the organization staff and the management at both the supermarkets. The study used census as sampling method since the population was small. Hence it used 15 respondents as the sample size. Data collection was done using questionnaires which consisted of closed ended questions. The study collected data according to sample population which was organized in such a way that further analysis and interpretation was made easy. The data was analyzed using qualitative and quantitative technique by the help SPSS. From the findings, majority of the respondents indicated that the cash management techniques does affect profitability in the supermarket.

The study recommends that further area of research should be finding out the relationships of cash management techniques towards profitability.

