

Factors Affecting Technological Issues in Dairy Industry, with Special Reference to the Large-Scale Firms in Sri Lanka

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The development of the Dairy Industry is as an instrument for social and economic advancement of the rural economy, through employment, sustainable income and improved nutrition. The development of this sector will not only help to achieve food security, import substitution or even self-sufficiency in animal products but also prevent the migration of the rural poor to urban areas in search of supposed economic benefits. In order to fulfill this role, however, it is clear that the dairy industry in particular needs to become more efficient in technology perspective. This would provide the incentive for medium- and large-scale entrepreneurs to enter the field and make further investments that are necessary to make the national livestock industry more efficient and modernized.

This research's prime objective is to identify the current technological issues faced by the large-scale dairy institutions in Sri Lanka. For a sustainable development, the dairy industry must look at influences coming from the economic, the political, the socio-cultural and the technological environments. Technology plays a key role in the development of the dairy industry. Hence, this research covers the technological development necessity of the dairy industry.

The multiple case study method was used as the research method. The data were collected through in-depth interviews from four major milk processing companies in Sri Lanka. Since the research is focusing on large-scale dairy industries, selected cases were Milco Pvt Ltd, Nestle Lanka PLC, Cargills Dairy Products Pvt Ltd and Lanka Milk Foods Limited. To cover the whole technological aspect of the industry, Engineering Manager, Maintenance Engineer, Production Manager and Dairy Section Heads were selected for their in-depth interviews. The data were analyzed using cross-case synthesis, pattern matching and explanation building techniques. Case study protocol was used to enhance the reliability of the study.

The findings of the study reveal that there are many factors affecting technological issues, such as R&D development, lack of financial capability, Plant and Machinery availability, Infrastructure management, Economic development of the country.

The recommendations provide useful information to policymakers and practitioners which should help inform future strategies in this field.

Keywords: Dairy Industry Technology, Multiple Case Study Method, Milk Processing Companies

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