

An Exploration of Contemporary Issues of Supply Chain Management: A Case on Pharmaceuticals Manufacturing Industry in Sri Lanka

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Supply Chain Management (SCM) has a crucial role in facilitating production, marketing, logistics and purchasing processes of an organization since it may focus on the management's attempts to maintain or build competitiveness in changing environment of those. This study was carried out as qualitative cross-sectional multiple case studies using semi-structured interviews to collect data. Case studies were chosen on the judgmental non-probability sampling method to explore contemporary issues and the reasons of SCM in the pharmaceutical manufacturing industry of Sri Lanka. It further tried to recommend the solutions to mitigate those issues to increase the effectiveness of the pharmaceutical supply chains. Interviews were conducted with the employees who are responsible for SCM from each case study. A thematic analysis was carried out to achieve the purpose of the study using Nvivo 12.

Unpredictable lead time, no proper guideline or standards in custom for pharmaceutical product regulations, lack of temperature control in warehouses at custom, underutilization of human resources consuming, delaying duty waiver and other regulatory approval from the National Medicines Regulatory Authority (NMRA), frequent changes of the NMRA guidelines without any grace period, technical knowledge gap of employees for R&D, and challenge from generic competitor products from other countries were identified as the major drawbacks in SCM process of pharmaceutical supply chains in Sri Lanka. Further, failure to identify correct raw materials suppliers, issue of Minimum Order Quantity (MOQ), buffer stock maintenance issues, no proper reverse logistics management procedures, shortage of approved vehicles for transportation, finding of trustworthy local packing materials suppliers, forecasting errors, and communication gap or language barrier of employees also slower the effectiveness of supply chains.

Keywords: *Material resource planning, Minimum order quantity, Pharmaceutical supply chain management, Resource based view, Transection cost economy,*

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