

Role of International Business operations in a developing Pharmaceutical company: Managing supply chain

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206**

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INTRODUCTION

Supply chain

- The supply chain includes not only the manufacturer and suppliers, but also transporters, warehouses, retailers, and even customers themselves
- That process involves an additional flow of information, product, and funds between various stages of the supply chain.
- The primary purpose of any supply chain is to satisfy customer needs and, in the process, generate profit for itself.

INTRODUCTION

- The term supply chain conjures up images of product or supply moving from suppliers to manufacturers to distributors to retailers to customers along a chain.
- The term supply chain may also imply that only one player is involved at each stage.
- The objective of every supply chain should be to maximize the overall value generated.
- Supply Chain during last decade, researchers usually focused on Supply Chain Management (SCM) issues in profit organizations.

Reason for study

- Revolutionary changes in technologies have provided the mechanisms that propel the growth of business by improving the supply chain methods.
- The intensification of competition at both domestic and international levels has driven firms to look beyond their domestic markets for new opportunities.
- Supply chain and logistics are the important aspect of any pharmaceutical company and for rectifying the problems and refining the process of supply chain and logistics the study was carried out.

Objective(s)

- To identify the gaps in the area of logistics and supply chain management.
- To suggest remedial actions in the existing areas pertaining to supply chain management..

Methodology

- EXPLORATORY RESEARCH

It is a type of research design, which has its primary objective of getting an insight into and understanding of the problem situation confronting the researcher.

In exploratory design two

Types of methods available for collecting the data are as following;

[1] Secondary data

[2] Qualitative research

Methodology

- Descriptive research is preplanned and structured. It is based on amount of representative samples.
- In descriptive research design, again two types of methods available for collecting information are as follow;
- 1) Surveys
- 2) Observational

In project I have used observational method

Types of methods available for collecting the data are as following;

[1] Secondary data

[2] Qualitative research

- QUALITATIVE RESEARCH
- In depth interview: - Supply Chain professionals and logistic department personnel's.
- Descriptive research :- In descriptive research single cross sectional research
- To measure the effectiveness of software users, single cross sectional design of descriptive research.
- Number of respondents were 20.

Data Collection

1) Surveys,

2) Observational

Primary and secondary sources provided essential information for this research work . These sources include:

a) Interview with some key personnel in the company, logistic department, professional country managers & the head of department of business operations.

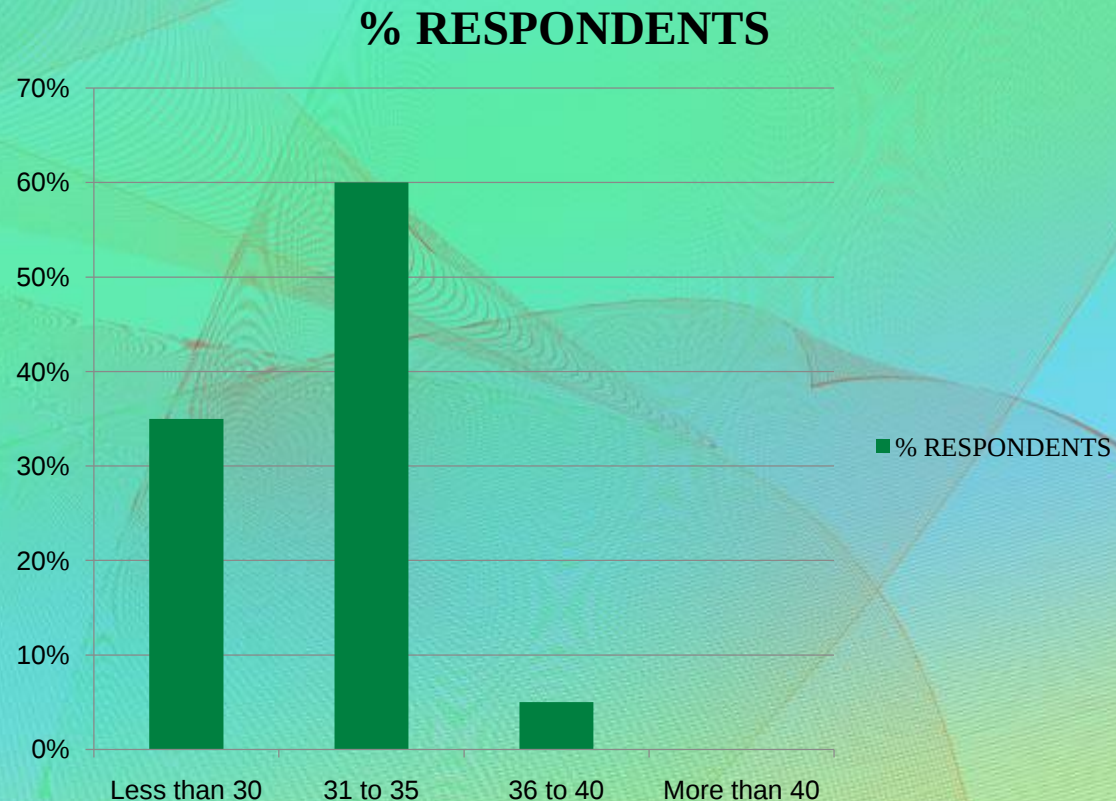
b) Observation of the supply chain process was done to see the flow of products in the delivery process.

Materials handling and storage were also observed and so was the patrol inspection procedures.

FINDINGS

Q1.What is your age?

PARTI CULAR	NO OF RESPO NDENT	% OF RESPO NDENT
Less than 30	7	35%
31 to 35	12	60%
36 to 40	1	5%
More than 40	0	0%

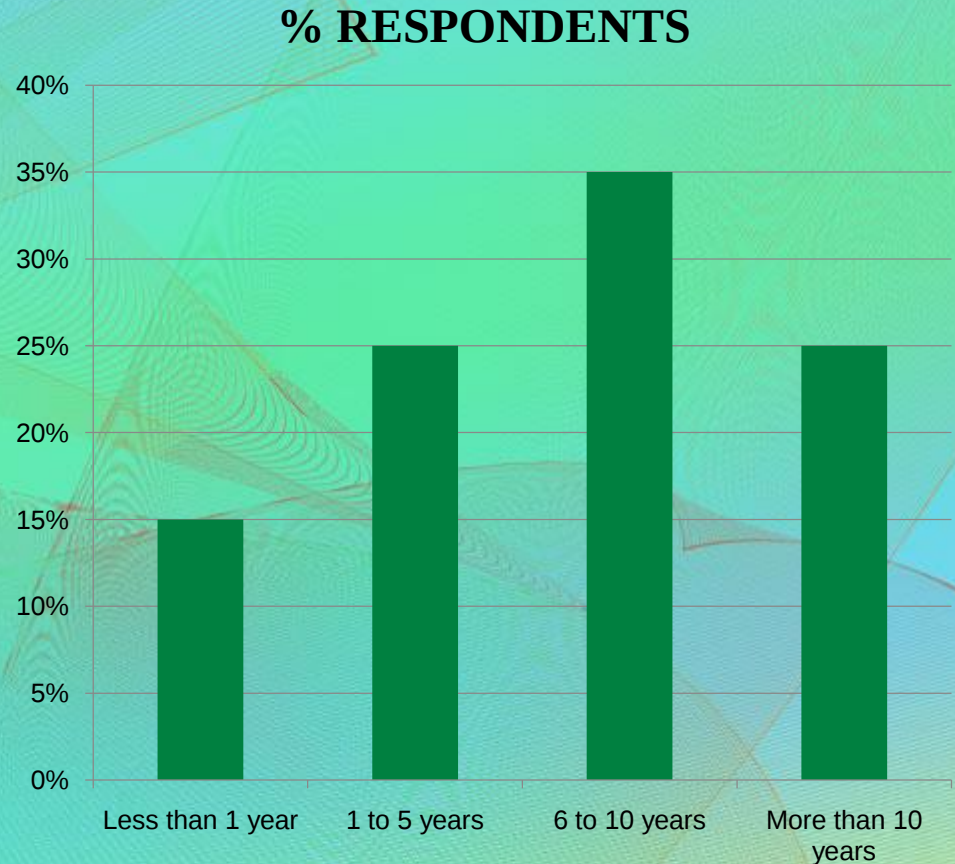


INTERPRETATION:

From the above data I interpret that 35% respondents are less than 30 year, 60% respondents are between 31 to 35 years, 5% respondents are between 36 to 40 years and 0% respondents are more than 40 year

Q2.What is your total experience?

PARTICULAR	NO OF RESPONDENT	% OF RESPONDENT
Less than 1 year	3	15%
1 to 5 years	5	25%
6 to 10 years	7	35%
More than 10 years	5	25%

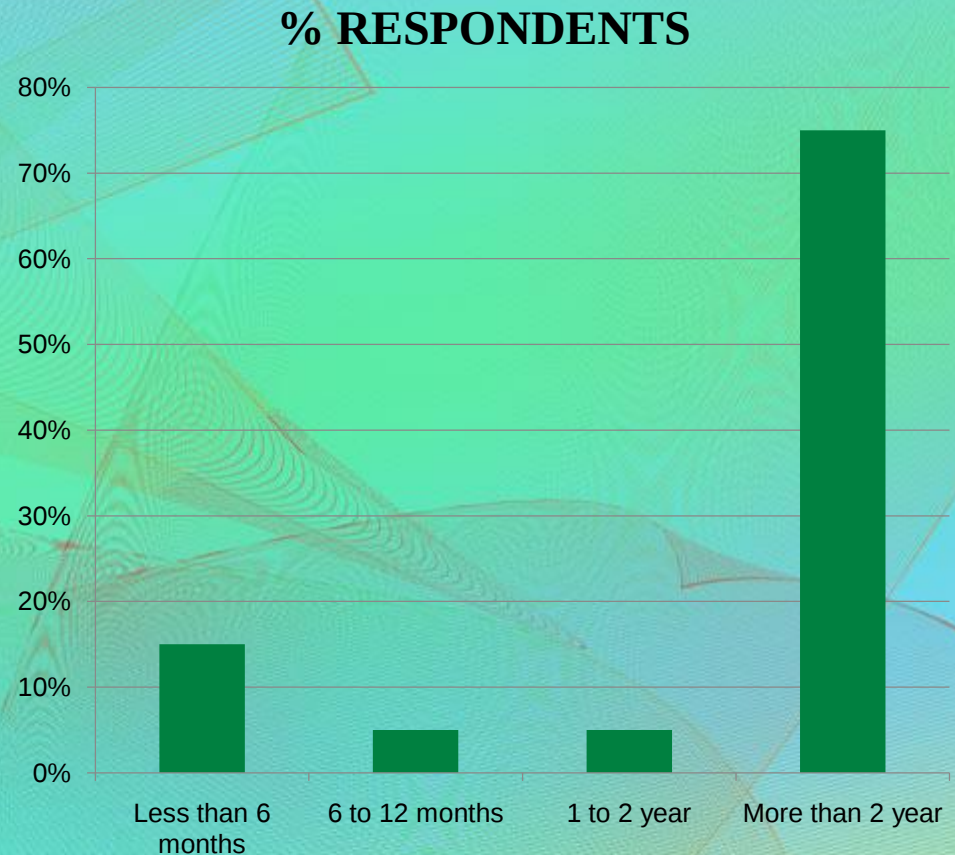


INTERPRETATION:

From the above data I interpret that 15% respondents have less than 1 year total work experience, 25% respondents have 1 to 5 years total work experience, 35% respondents have 6 to 10 year total job experience and 25% respondents have more than 10 year total experience.

Q3. Since how long you are serving in the Pharmaceutical Company?

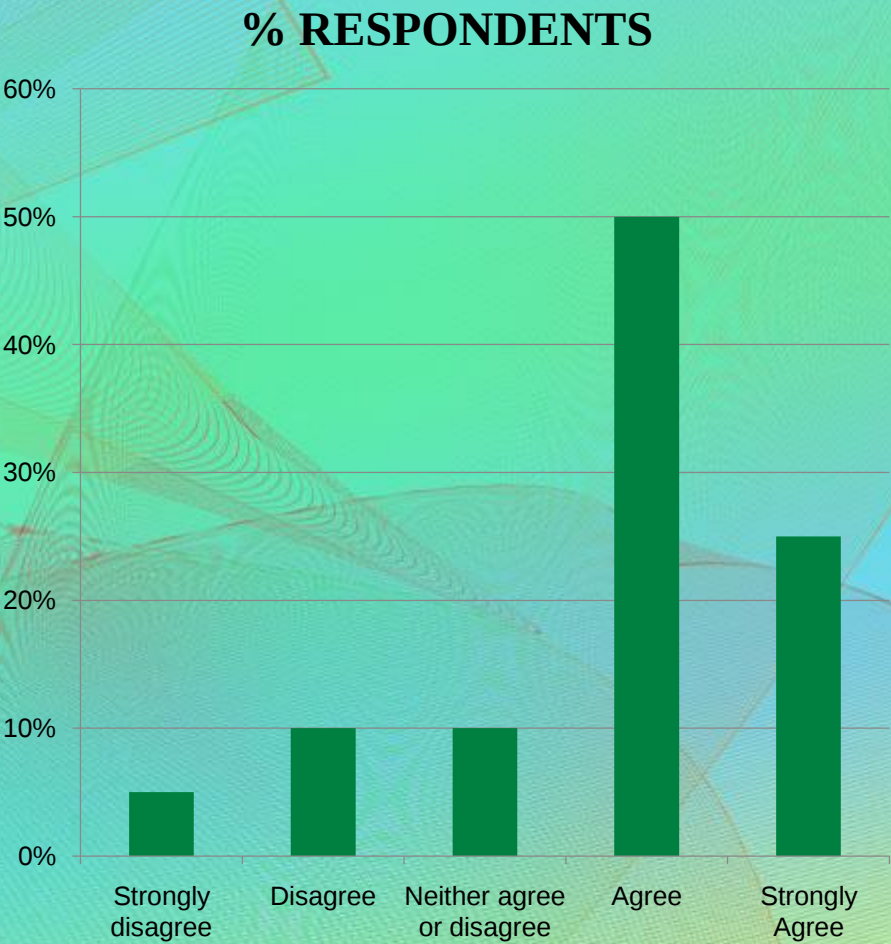
PARTICULAR	NO OF RESPONDENT	% OF RESPONDENT
Less than 6 months	3	15%
6 to 12 months	1	5%
1 to 2 year	1	5%
More than 2 year	15	75%



From the above data I interpret that 15% respondents are less than 6 month working experience in this Pharmaceutical Company, 5% respondents are 6 to 12 month working experience in this Pharmaceutical Company, 5% respondents are 1 to 2 year working experience in this Pharmaceutical Company and 75% respondents are more than 2 year working experience in this Pharmaceutical Company.

Q4 Business Operations is useful in maintaining purchase order availability.

PARTICULAR	NO OF RESPONDENT	% OF RESPONDENT
Strongly disagree	1	5%
Disagree	2	10%
Neither agree or disagree	2	10%
Agree	10	50%
Strongly Agree	5	25%

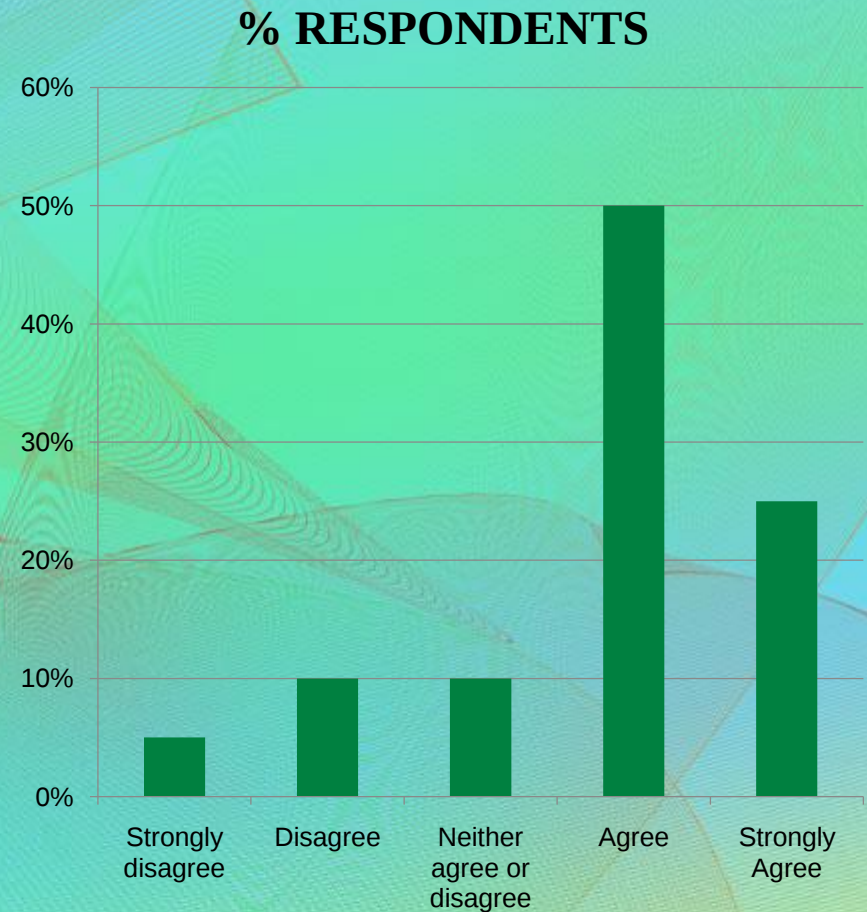


INTERPRETATION:

From the above data I interpret that 5%, respondents are highly disagree, 10% respondents are disagree, 10% respondents are neither agree or disagree, 50% respondents are agree and 25% respondents are highly agree with above statement.

Q5 Business operations is dependent on logistics for making Systematic dispatches

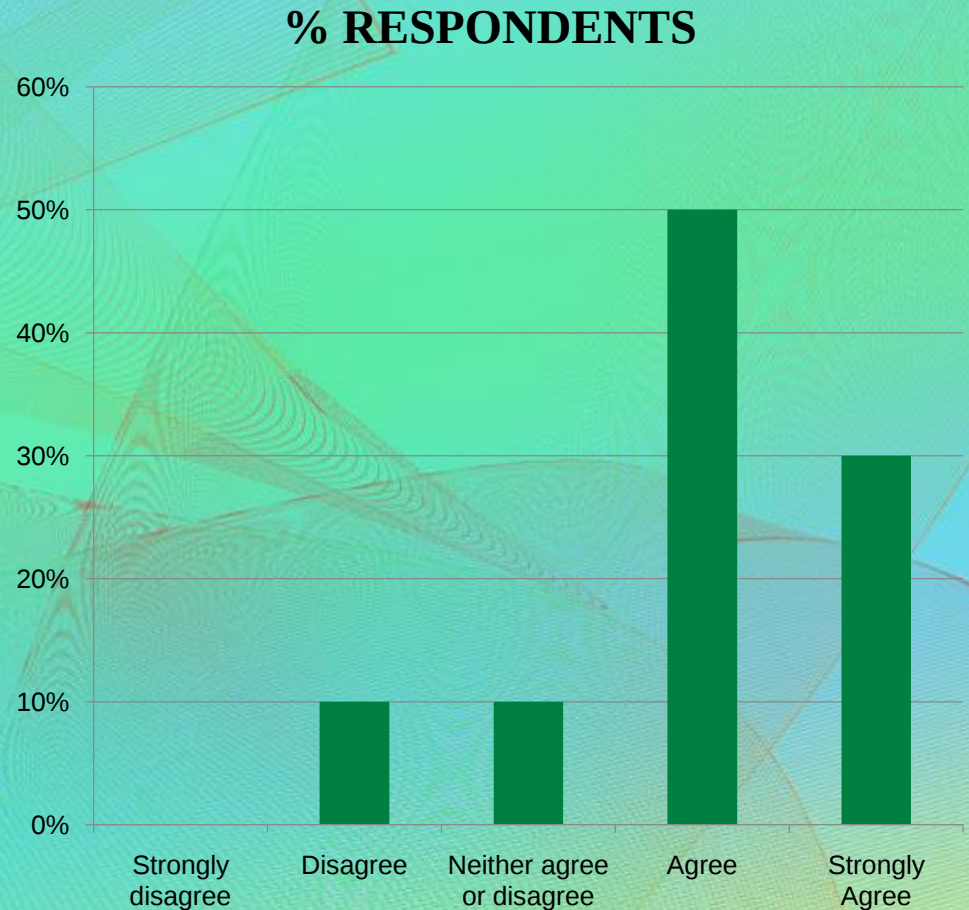
PARTICULAR	NO OF RESPONDENT	% OF RESPONDENT
Strongly disagree	0	0%
Disagree	1	5%
Neither agree or disagree	1	5%
Agree	10	50%
Strongly Agree	8	40%



From the above data I interpret that 0% respondents are highly disagree, 5% respondents are disagree, 5% respondents are neither agree or disagree, 50% respondents are agree and 40% respondents are highly agree with above statement.

Q6. Indent of the material has become easy and smooth after having highly skilled business operations executives.

PARTICULAR	NO OF RESPONDENT	% OF RESPONDENT
Strongly disagree	0	0%
Disagree	2	10%
Neither agree or disagree	2	10%
Agree	10	50%
Strongly Agree	6	30%

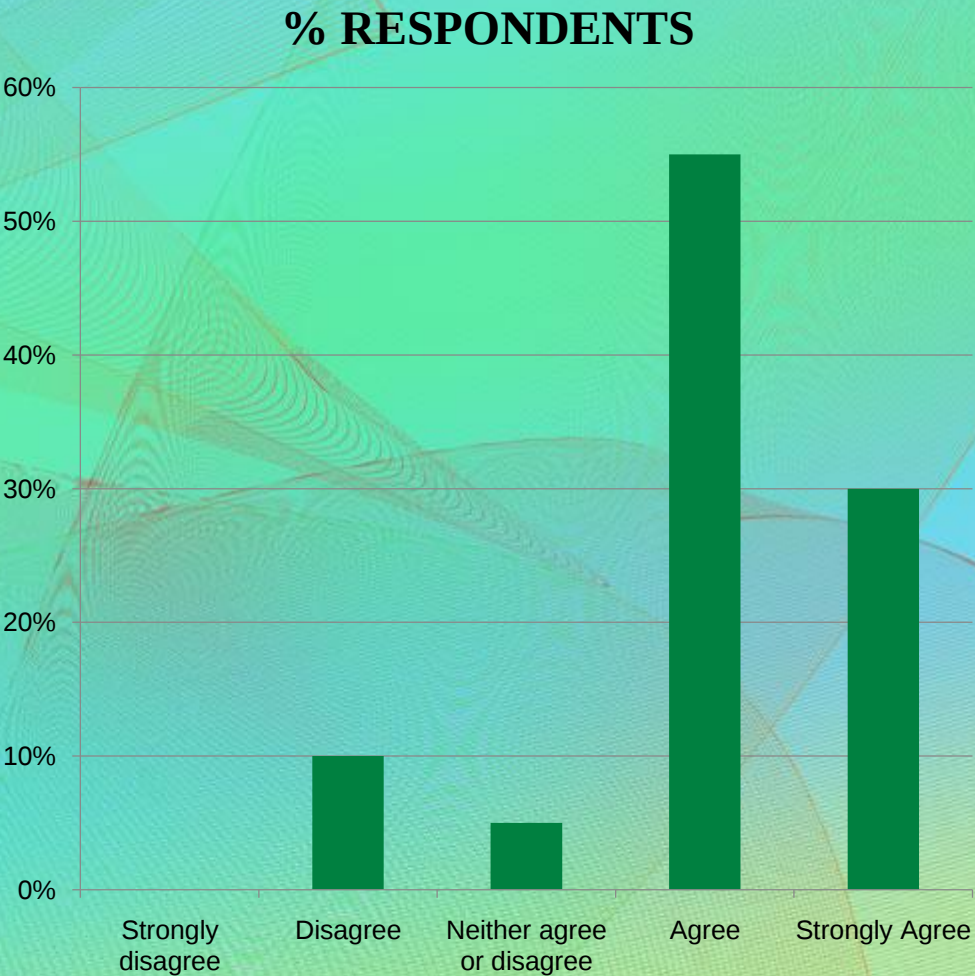


INTERPRETATION:

From the above data I interpret that 0% respondents are highly disagree, 10% respondents are disagree, 10% respondents are neither agree or disagree, 50% respondents are agree and 30% respondents are highly agree with above statement.

Q7.Issue of material has become easy and smooth after implementation of SAP software by business operations.

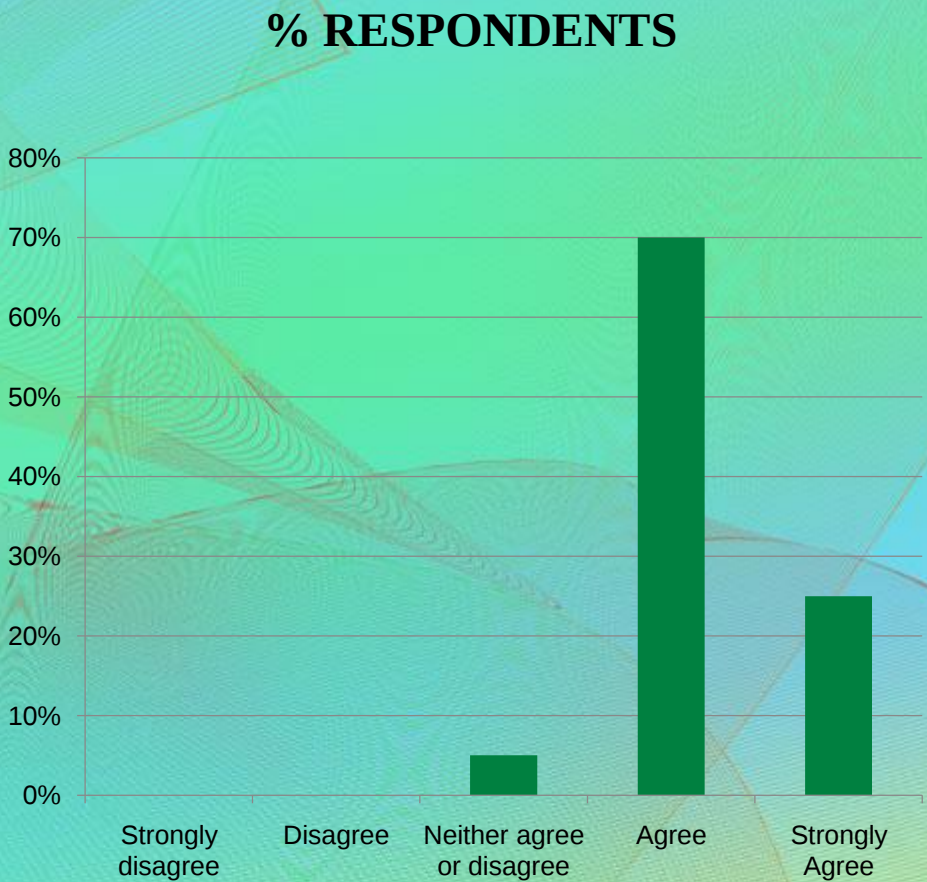
PARTICU LAR	NO OF RESPON DENT	% OF RESPON DENT
Strongly disagree	0	0%
Disagree	2	10%
Neither agree or disagree	1	5%
Agree	11	55%
Strongly Agree	6	30%



From the above data I interpret that 0% respondents are highly disagree, 10% respondents are disagree, 5% respondents are neither agree or disagree, 55% respondents are agree and 30% respondents are highly agree with above statement.

Q8 Issue return of the material has become easy and smooth after implementation of SAP software.

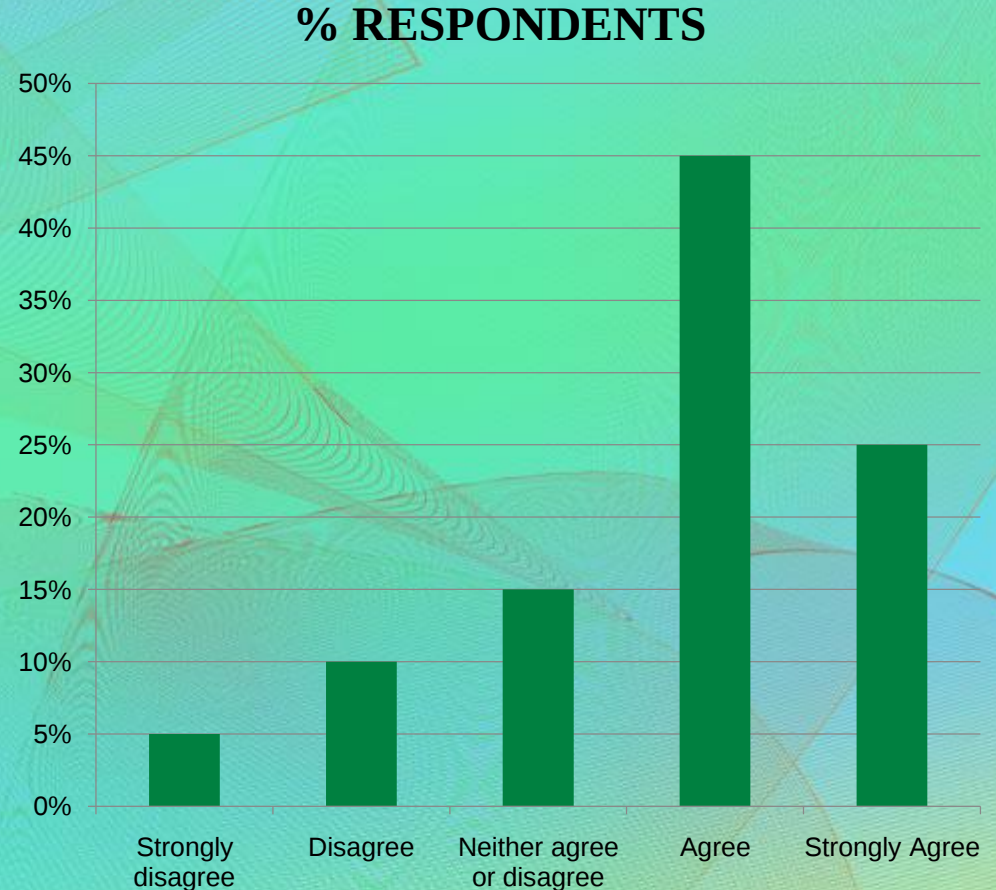
PARTICULAR	NO OF RESPONDENT	% OF RESPONDENT
Strongly disagree	0	0%
Disagree	0	0%
Neither agree or disagree	1	5%
Agree	14	70%
Strongly Agree	5	25%



From the above data I interpret that 0% respondents are highly disagree, 0% respondents are disagree, 5% respondents are neither agree or disagree, 70% respondents are agree and 25% respondents are highly agree with above statement.

Q9 After implementation of SAP by business operations under stock/ over stock condition has reduced

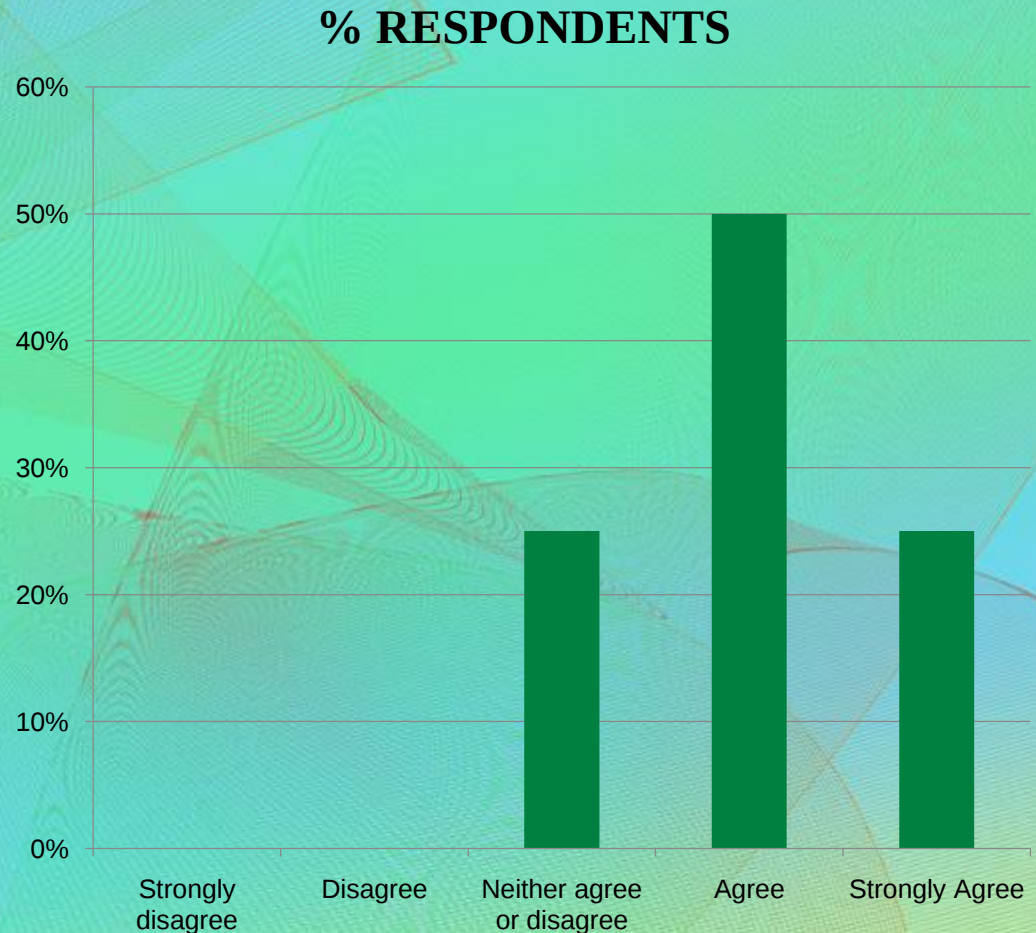
PARTICULAR	NO OF RESPONDENT	% OF RESPONDENT
Strongly disagree	1	5%
Disagree	2	10%
Neither agree or disagree	3	15%
Agree	9	45%
Strongly Agree	5	25%



From the above data I interpret that 5% respondents are highly disagree, 10% respondents are disagree, 15% respondents are neither agree or disagree, 45% respondents are agree and 25% respondents are highly agree with above statement.

Q10.Delivery reliability has improved after implementation of SAP.

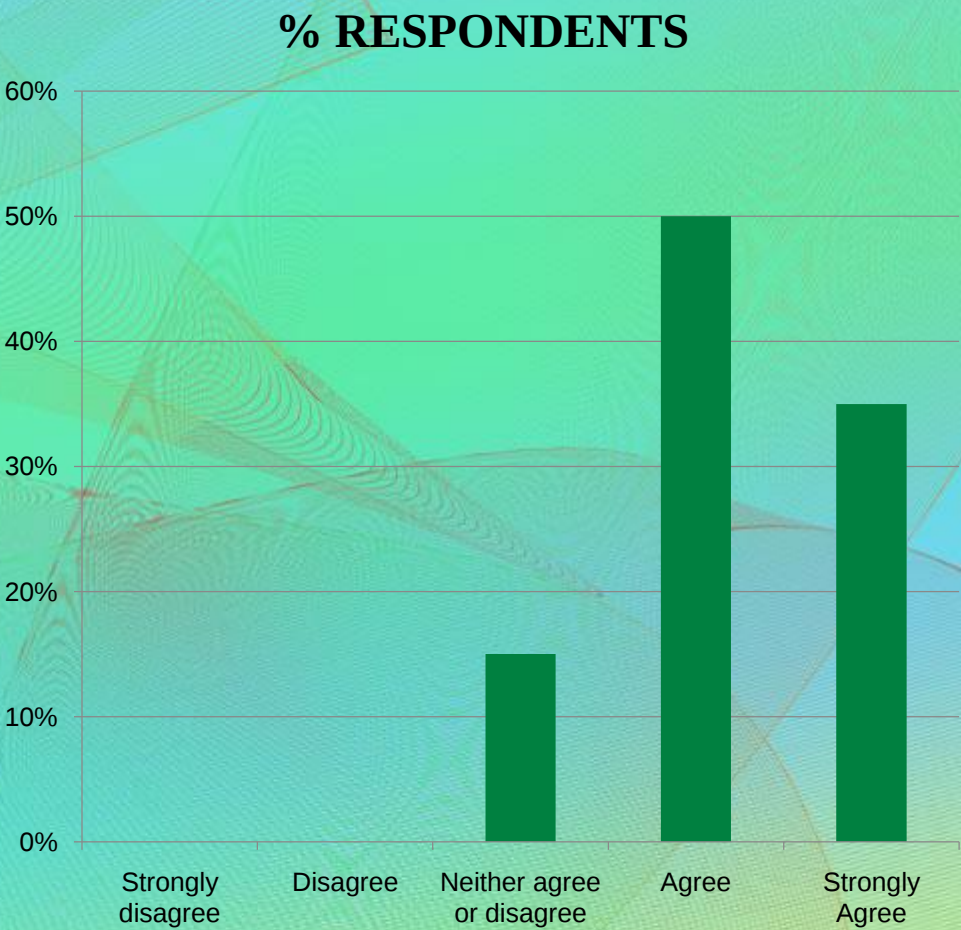
PARTICULAR	NO OF RESPONDENT	% OF RESPONDENT
Strongly disagree	0	0%
Disagree	0	0%
Neither agree or disagree	5	25%
Agree	10	50%
Strongly Agree	5	25%



From the above data I interpret that 0% respondents are highly disagree, 0% respondents are disagree, 25% respondents are neither agree or disagree, 50% respondents are agree and 25% respondents are highly agree with above statement.

Q11.SAP system is fully implemented by business operations in Pharmaceutical Company.

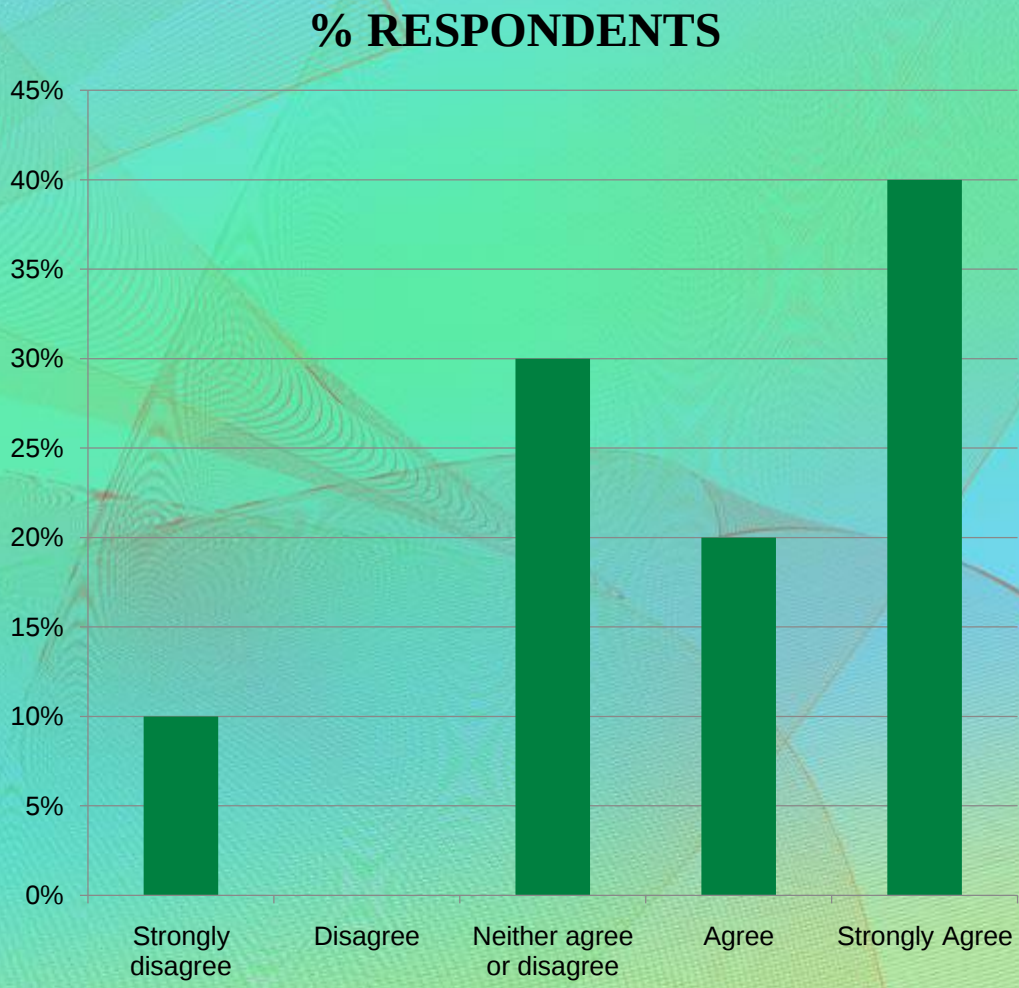
PARTICU LAR	NO OF RESPON DENT	% OF RESPON DENT
Strongly disagree	0	0%
Disagree	0	0%
Neither agree or disagree	3	15%
Agree	10	50%
Strongly Agree	7	35%



From the above data I interpret that 0% respondents are highly disagree, 0% respondents are disagree, 15% respondents are neither agree or disagree, 50% respondents are agree and 35% respondents are highly agree with above statement.

Q11.The employees of Pharmaceutical Company who deal with SAP system are properly trained.

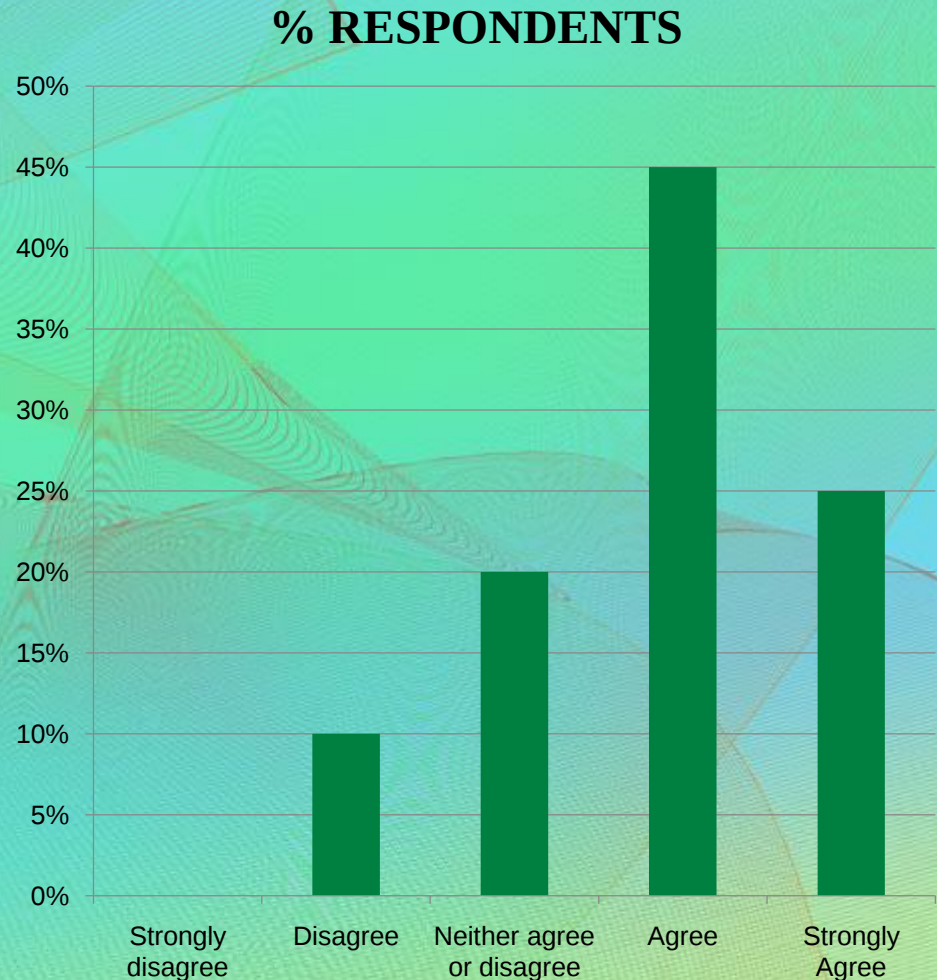
PARTICU LAR	NO OF RESPON DENT	% OF RESPON DENT
Strongly disagree	2	10%
Disagree	0	0%
Neither agree or disagree	6	30%
Agree	4	20%
Strongly Agree	8	40%



From the above data I interpret that 10% respondents are highly disagree, 0% respondents are disagree, 30% respondents are neither agree or disagree, 20% respondents are agree and 40% respondents are highly agree with above statement.

Q12 The system helps to detect any problem occurring during the operation of Pharmaceutical Company.

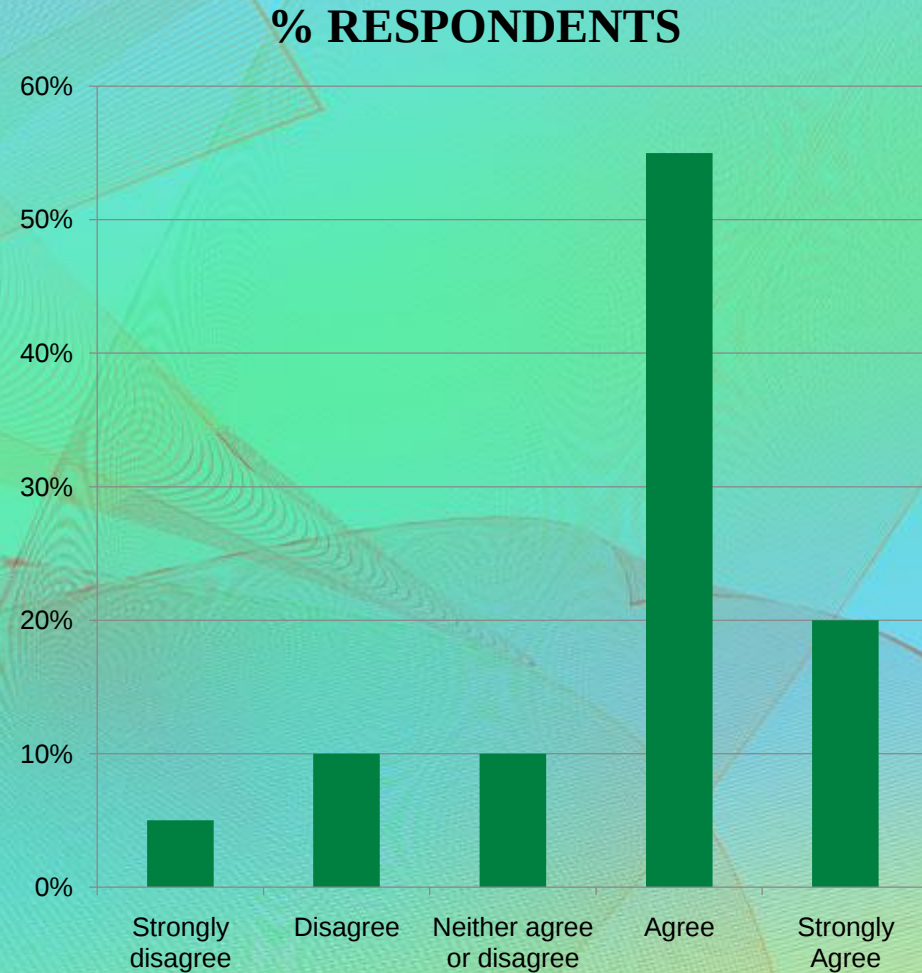
PARTICULAR	NO OF RESPONDENT	% OF RESPONDENT
Strongly disagree	0	0%
Disagree	2	10%
Neither agree or disagree	4	20%
Agree	9	45%
Strongly Agree	5	25%



From the above data I interpret that 0%, respondents are highly disagree, 10% respondents are disagree, 20% respondents are neither agree or disagree, 45% respondents are agree and 25% respondents are highly agree with above statement.

Q13 All the features of SAP software are useful for business operations.

PARTICULAR	NO OF RESPONDENT	% OF RESPONDENT
Strongly disagree	1	5%
Disagree	2	10%
Neither agree or disagree	2	10%
Agree	11	55%
Strongly Agree	4	20%

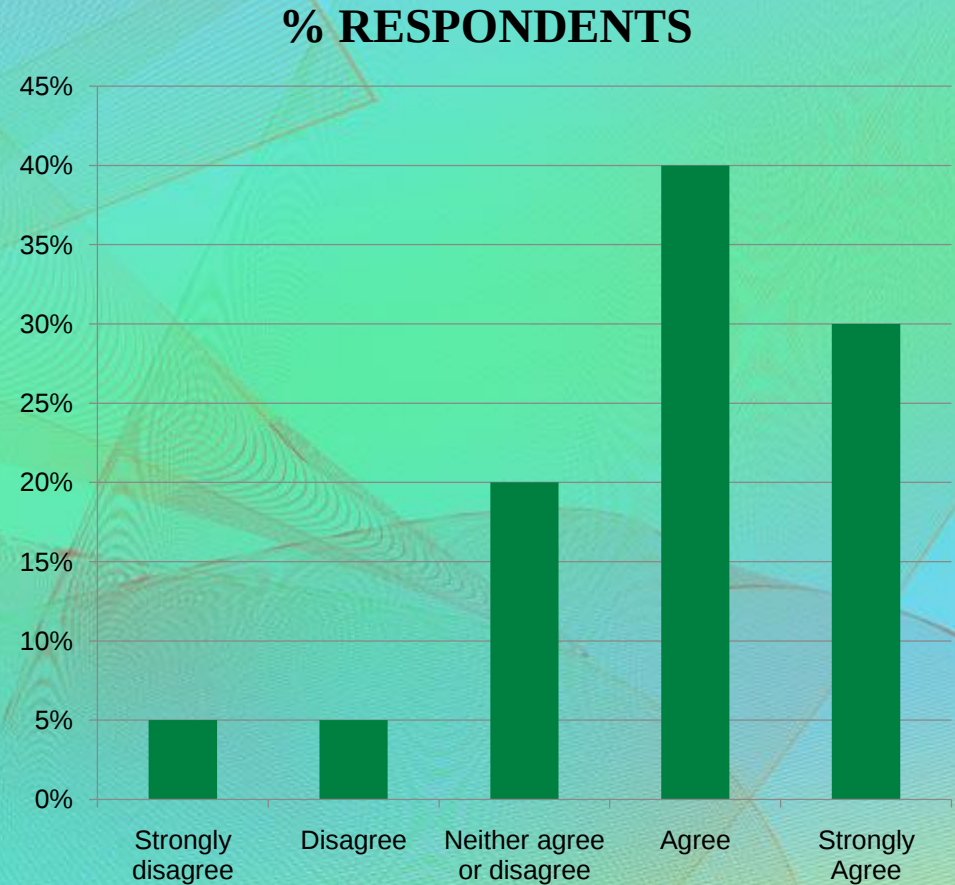


INTERPRETATION:

From the above data I interpret that 5%, respondents are highly disagree, 10% respondents are disagree, 10% respondents are neither agree or disagree, 55% respondents are agree and 20% respondents are highly agree with above statement

Q 15 SAP software has improved my work efficiency and productivity.

PARTICULAR	NO OF RESPONDENT	% OF RESPONDENT
Strongly disagree	1	5%
Disagree	1	5%
Neither agree or disagree	4	20%
Agree	8	40%
Strongly Agree	6	30%



From the above data I interpret that 5%, respondents are highly disagree, 5% respondents are disagree, 20% respondents are neither agree or disagree, 40% respondents are agree and 30% respondents are highly agree with above statement.

- H_0 : There is no impact of total work experience of business operations executive on agreement that all the features of the SAP software are useful.
- H_1 : There is impact of total work experience of employees on agreement that all the features of the SAP software are useful

ANOVA							
All_the_features_of_SAP_are_useful							
			Sum of Squares	df	Mean Square	F	Sig.
Between Groups	(Combined)		4.226	3	1.409	1.286	.313
	Linear Term	Unweighted	.671	1	.671	.612	.445
		Weighted	.606	1	.606	.554	.468
		Deviation	3.620	2	1.810	1.652	.223
Within Groups			17.524	16	1.095		
Total			21.750	19			

INTERPRETATION:

Here as the significance level is greater than the critical value (0.10) and so we accept our null hypothesis and reject alternative hypothesis. It means that there is no impact of total work experience of employees on agreement that all the features of the SAP software are useful.

- H_0 : There is no impact of total work experience of business operations executive on agreement that SAP system is fully implemented in Pharmaceutical Company.
- H_1 : There is impact of total work experience of business operations executive on agreement that SAP system is fully implemented in Pharmaceutical Company.

ANOVA							
SAP_system_is_fully_implemented							
			Sum of Squares	df	Mean Square	F	Sig.
Between Groups	(Combined)		1.105	3	.368	.728	.550
	Linear Term	Unweighted	.429	1	.429	.848	.371
		Weighted	.240	1	.240	.474	.501
		Deviation	.865	2	.433	.855	.444
Within Groups			8.095	16	.506		
Total			9.200	19			

INTERPRETATION:

Here as the significance level is greater than the critical value (0.10) and so we accept our null hypothesis and reject alternative hypothesis. It means that there is no impact of total work experience of employees on agreement that SAP system is fully implemented in Pharmaceutical Company.

- H_0 : There is no impact of time serving in this Pharmaceutical Company on agreement that the employees of Pharmaceutical Company who deal with the SAP system are properly trained.
- H_1 : There is impact of time serving in this Pharmaceutical Company on agreement that the employees of Pharmaceutical Company who deal with the SAP system are properly trained.

ANOVA							
Employees_are_properly_trained							
			Sum of Squares	df	Mean Square	F	Sig.
Between Groups	(Combined)		3.200	3	1.067	.610	.618
	Linear Term	Unweighted	.000	1	.000	.000	1.000
		Weighted	.232	1	.232	.133	.720
		Deviation	2.968	2	1.484	.848	.447
Within Groups			28.000	16	1.750		
Total			31.200	19			

INTERPRETATION:

Here as the significance level is greater than the critical value (0.10) and so we accept our null hypothesis and reject alternative hypothesis. It means that there is no impact of time serving in this Pharmaceutical Company on agreement that the employees of Pharmaceutical Company who deal with the SAPsystem are properly trained.

- H_0 : There is no impact of time serving in this Pharmaceutical Company on agreement that SAP system is useful for maintaining the availability of purchase order.
-
- H_1 : There is impact of time serving in this Pharmaceutical Company on agreement that SAP system is useful for maintaining the purchase order.

ANOVA							
SAP_for_purchase_order							
			Sum of Squares	df	Mean Square	F	Sig.
Between Groups	(Combined)		2.133	3	.711	.540	.662
	Linear Term	Unweighted	1.029	1	1.029	.781	.390
		Weighted	.273	1	.273	.207	.655
		Deviation	1.861	2	.930	.707	.508
Within Groups			21.067	16	1.317		
Total			23.200	19			

INTERPRETATION:

Here as the significance level is greater than the critical value (0.10) and so we accept our null hypothesis and reject alternative hypothesis. It means that there is no impact of time serving in this Pharmaceutical Company on agreement that SAP system is useful for purchase order.

Conclusions

From Observations

- As an advantage to implementation of SAP software the business operations for handling material issue becomes easy and smooth.
- But sometimes problem occurs, like change in consignee, buyer and address. For e.g. some other address or name of consignee is entered instead of the required one, the system does not allow issue the correct bill for the order and dispatch material in the list.
- Manual correction is required at that time. But a little modification should allow issue of other information. For that regular mails are necessary.
- Secondly, the procedures for altering the information of any kind of material to be dispatched have also become easy and smooth after implementation of SAP software by business operations executive.

- From the project the conclusion is that SAP system with business operation skill can be fully implemented in Pharmaceutical Company for maintaining successful flow of smooth and refined dispatches of the consignment handling operations.
- Whereas delivery reliability has somewhat improved after better coordination of business operations executive and the logistic department.
- On the other hand, the review of transport systems provides a clearer notion on transport applications in logistics activities.
- The development of logistics is still vigorous in the following decades and the logistics concepts might be applied in more fields.

From Surveys

All respondents are in agreement of the statements that,

- Business operations are useful for maintaining smooth flow of purchase order process and refined dispatches of the consignment.
- SAP system is a basic tool of business operations for maintaining the coordination between the business operations and logistic department.
- There is no impact total work experience of employees on agreement that all the features of SAP system are useful.

- There is no impact of total work experience of employees on agreement that SAP system is fully implemented in Pharmaceutical company.
- There is no impact of time serving in this Pharmaceutical Company on agreement that the employees of Pharmaceutical company who deal with the SAP system are properly trained.
- There is impact of total work experience of employees on agreement that business operations has improved the work efficiency and productivity in maintaining the time to time dispatches.

Suggestions

- To fill the Gaps business Operations should be given priority to perform functions in SAP system to increase the efficiency of the company.
- A skilled professional should be enrolled for the complete and exclusive tracking of the consignments and the shipping documents.
- Proper training to sales operations staff who deals with SAP system makes an integral part for effective process for purchase orders and other modifications in the system.
- Improvements to Purchase module should be made like:
 - Non-returnable billing should be done by SAP.
 - The transportation vehicles depending upon the incoterm should be booked or managed in so time by the logistic department so that the dispatches should take place at time.

THANKYOU



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