

SCM 19

**“Impact of Efficient Procurement on Productivity Performance in
Pharmaceutical Industry. A case of twin cities”**



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Abstract

The main goal of this research is to determine the impact of efficient procurement on the productivity performance in pharmaceutical industry of Pakistan (Companies operated in Islamabad & Rawalpindi). Because it is essential to life and health, the pharmaceutical business plays a unique role in creating economic opportunities. Pharmaceutical firms in Pakistan are having a lot of problems and challenges. They aren't aware that they need to put their primary attention on corporate efficiencies and that they urgently need to establish a procurement system within their firms. To be differentiated from other companies the pharmaceuticals companies of Pakistan should develop a proper procurement structure. There are numerous aspects that explain the literature in terms of efficient procurement. Furthermore, the study looks at which variables are more relevant and vital for a smooth and efficient procurement process in the pharmaceutical sector today. With the use of a questionnaire design, the study used a quantitative method with pharmaceutical businesses as the target audience. There are six sections to the questionnaire. It includes independent variables as Procurement planning in section A, Supplier Quality in section B, Supplier lead time in section C, Supplier partnership in Section D, Information & Communication in Section E and with the dependent variable as productivity performance in section F. Five different pharmaceutical firms were chosen, and all of the respondents worked in supply chain, logistics, inventory, and procurement departments, all of which have a direct impact on a company's productivity. A total of 152 people were contacted, and the data was analyzed using statistical methods and SPSS software. In descriptive analysis, tables and their analysis were employed, while in inferential analysis, the regression approach was employed to evaluate the hypothesis. These strategies were chosen to learn more about the issue in depth and in depth according to the nature of the topic.

Keywords

Supplier Quality, Supplier Lead-time, Efficient Procurement, Productivity performance, Pharmaceutical Companies

Abbreviations

SCM: Supply Chain Management

MNC's: Multinational Companies

PDRA: Pakistan Drugs Regulation Authority

PPMA: Pakistan Pharmaceutical Manufacturers Association

ISF: International Standard Formulation

MTO: Make to order

ATO: Assemble to order

EDI: Electronic Data Interchange

IOT: Internet of Things

SLT: Supplier Leadtime

SLT: Strategic Leadtime

SQA: Supplier Quality Assessment

PPOA: Public Procurement Oversight Authority

TOC: Theory of Constraints

TABLE OF CONTENTS

ACKNOWLEDGEMENT	i
ABSTRACT	ii
ABBREVIATION	iii
CHAPTER 1	8
1 INTRODUCTION	8
1.1 Background of Study	8
1.2 Efficient Procurement in Pharmaceutical Industry	10
1.3 Pharmaceutical industry of Pakistan	12
1.3.1 Pharmaceutical Companies Operating in Pakistan	13
1.4 Research Gap Analysis	14
1.5 Problem Statement	15
1.6 Research Questions	16
1.7 Research Objectives	17
1.8 Significance of Study	18
CHAPTER 2	19
2 LITERATURE REVIEW	19
2.1 Procurement Planning	21
2.2 Supplier Quality	23
2.3 Supplier Leadtime	24
2.4 Supplier Partnership	27
2.5 Information & Communication (IC)	29
2.6 Productivity Performance	31
2.7 Theoretical Framework	33
2.7.1 Theory of Constraints	33
2.8 Conceptual Framework	35
2.9 Research Hypothesis	35
CHAPTER 3	36
3 METHODOLOGY	36
3.1 Introduction	36
3.2 Research Approach	37
3.3 Research Design	37
3.4 Research Techniques	37
3.5 Research Instrument	37
3.6 Unit of Analysis	38
3.7 Target Population	38
3.8 Sampling	38
3.9 Sample Size	39

3.10	Sampling Techniques	39
3.11	Source of Data	39
3.12	Data Analysis	39
	3.12.1 Correlation Analysis	40
	3.12.2 Regression Analysis	40
CHAPTER 4		41
4	RESULTS	41
	Table 1	42
	Table 2	43
	Table 3	45
	Table 4	45
	Table 5	46
	Table 6	47
	Testing of Hypothesis	49
CHAPTER 5		50
5	CONCLUSION, DISCUSSION AND RECOMMENDATION	50
5.1	Discussion	50
5.2	Conclusion	51
5.3	Recommendation & Future Research	52
REFERENCES		54
APPENDIX		73