



Identifying the Key Determinants of Vendor Selection and Their Impact on Procurement with a Focus on Pharmaceutical Companies in Karachi

A Thesis submitted to Department of Management Sciences in part fulfilment of the requirement for the MBA degree

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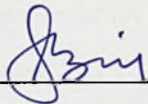
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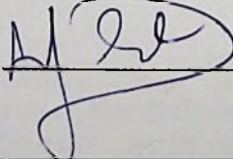
Identifying the key Determinants of Vendor Selection by Its Impact on Procurement
with a focus on Pharmaceutical Companies in Karachi in the management science department as part of
fulfillment of the MBA degree requirement.

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CERTIFICATE OF SUPERVISOR

I Asif Rehman being the Supervisor of the above student, certify that the research
work of the student has been completed to my satisfaction and that the thesis is in a format
recognized by the department and is in accordance with the rules of the University. The thesis is
appropriate for examination.

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First of all I would like to thanks Almighty Allah, the most beneficent and the most merciful, that final project has been completed before time.

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ABSTRACT

Purpose -- The major purpose of this journal is to identifying the key determinants of vendor selection and their Impact on Procurement in Pharmaceutical Companies in Karachi. Furthermore, to get an idea that which factors of vendor selection are more important for the Pharmaceutical companies these days for the smooth process procurement.

Design/methodology/approach – There are different determinants of vendor selection defined in the literature. Moreover, the importance of each determinant is also defined. The collection and gathering of data has been done with the help of a questionnaire. The questionnaire has been divided into two sections. Section A relates with the general demographic section and section B relates with the key determinants of vendor selection. 8 different Pharma companies were selected and all the respondents were from the Supply chain, Logistics and Procurement Departments which have direct relation with the vendor selection. Total 100 respondents were received. Analyzing has been done with the statistical methods though SPSS software. Graphs and tables were used in descriptive analysis and correlation method has been used in inferential analysis so that hypothesis can be tested easily.

Findings -- The general finding from this research is to identify the different factors of vendor selection having an impact on procurement. It has been concluded that price, quality, technical capability, service level, past performance, financial stability has more impact on procurement apart from the other important factors.

Practical Implications- The outcome of this journal can be helpful for the Pharma companies for vendor selection. It elaborates which determinants should be focused more when company goes for vendor selection and which factors have more impact on procurement.

Keywords- Vendor Selection, Procurement, Pharmaceutical Companies, Key Determinants of Vendor Selection, Karachi.

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INTRODUCTION OF THE TOPIC AND STATEMENT OF THE
PROBLEM