**A study of challenges in coconut procurement process among small scale and large scale coconut growers in Sri Lanka, A study in Kurunagala district**

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**Abstract**

In Sri Lanka, plantation sector plays a major role in the export sector where tea, rubber and coconut have been the major export agricultural commodities. As an agricultural commodity, coconut must undergo a series of operations before they reach to the market as a raw material and a value added material. One of the major initial steps in the supply chain of coconut is the process of procurement. The small scale and the large scale coconut growers are vital players in the coconut procurement in coconut industry. They exercise many practices with the people who belong to coconut procurement sector, especially with manufacturers and other intermediaries despite the fact that they facing numerous problems in performing these practices. A comprehensive search of various local and international literature revealed that the impact of problems of coconut procurement practices of coconut industry on supply chain resilience have not been studied in depth in Sri Lankan context. Therefore, this study is designed to examine the impact of problems associated with procurement performance of coconut industry on supply chain resilience with special reference to Kurunegala district, Sri Lanka.

In this study, considered objectives are understanding the role of procurement in identifying and managing intra and inter organizational issues which impact supply chain performance, find out the market behavior of coconut production in Sri Lakeland also rating the leading factors for problems in procurement process, factors that participants expected from procurement and find out initiatives which will aid to develop systematic procurement performance by addressing issues.

The study mainly based on primary data, which was collected through the questionnaires. A questionnaire was distributed to a sample of 90 coconut growers including both small scale growers and large scale growers and 10 industry based people in the coconut industry in Kurunegala district. Data collection tools were in-depth interviews, physically and through telephone calls and structured questionnaires. The study also made use of secondary sources of information regarding statistics of coconut cultivation.Problems cited in this study were condensed into ten issues, namely product sourcing, price instability, overspending, forecasting errors, technology, regulatory factors, supplier performance, process complexity, risk management, logistics and transport. The outcome of the analysis shows that process complexity, price instability, supplier performance and logistic and transport are positive and significant. Further, it shows that these problems discriminate the procurement performance of the coconut supply chain. When considering reasons to procurement issues, 72.68% Garret’s rank level obtained by improper management practices and 62.94% Garret’s rank level obtained by poor infrastructure prevailed in the country.

Keywords: Challenges of procurement, Coconut industry, Coconut production. Procurement,

Supplier Involvement, Supply chain