

LOGISTICS

TIMES

SRI LANKA'S FIRST EVER LOGISTICS MAGAZINE

"OUR BUSINESS MODEL SUPPORTS OUR VISION OF PROVIDING TRULY INTEGRATED LOGISTICS THAT CREATES VALUE FOR CUSTOMERS."

Ms. Sujani Kumarasinghe

Head of Customer Experience - Maersk Lanka (Pvt) Ltd

Page 10

"GREATER RESILIENCE OFTEN LEADS TO MINIMIZED RISK AND GREATER ABILITY TO INVEST IN INNOVATION AND GROWTH."

Mr. Upul Peiris

Group Director - Hayleys Advantis Ltd

Page 18

"PROACTIVE ACTIONS, RATHER THAN REACTIVE ACTIONS ARE REQUIRED FOR SUPPLIER RELATIONSHIP MANAGEMENT."

Mr. Kanchana Fernando

Head of Procurement - Nestle Lanka PLC

Page 26

"QUALITY IS NON-NEGOTIABLE IN PHARMACEUTICALS."

Mr. Dinesh Athapaththu,

Managing Director - Morison Limited

Page 40



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CONTENTS



Department of
Management and Finance
General Sir John Kotelawala
Defence University
ISSUE 7 | JUNE • 2022

10

"Our business model supports our vision of providing truly integrated logistics that creates value for customers."

Ms. Sujani Kumarasinghe

Head of Customer Experience - Maersk Lanka (Pvt) Ltd

18

"Greater resilience often leads to minimized risk and greater ability to invest in innovation and growth."

Mr. Upul Peiris

Group Director - Hayleys Advantis Ltd

26

"Proactive actions, rather than reactive actions are required for supplier relationship management."

Mr. Kanchana Fernando

Head of Procurement - Nestle Lanka PLC

34

"Logistics is one of the biggest industries which generates profit from the digital revolution."

Ms. Gayathri Karunanayake

Supply Chain Consultant - Logicare (Pvt) Ltd

40

"Quality is a must in pharmaceuticals."

Mr. Dinesh Athapaththu,

Managing Director - Morison Limited

48

"20Cube is a global 21st century technology-enabled logistics company with deep expertise & capability."

Mr. Kalum Amarasekera

Chief Executive Officer/Director - 20Cube Logistics (Pvt.) Ltd.

56

"Injustice was never allowed, and the operations were very smooth and efficient."

Major General Hirosha Wanigasekara USP

Master General Ordnance - Army Headquarters

"We create customer's desired perception."

Dr. Lasantha Malavige
Chairman and Chief Executive Office
Lassana Group of Companies

64

"We practice our basics through the business continuity plan."

Mr. Lagath Gamalathge
General Manager, Project Management Division I - Access
Engineering PLC

74

"A collective trust is to be built upon a rule-based and mutually respected strategy."

Commodore (S) Achala De Silva
Director, Integrated Logistics Management System Sri Lanka Navy

82

"We provide a port-to-port service for our inbound customers."

Mr. Gihan Wirasinha
Director - ASL Logistics CMB (Pvt) Ltd

90

"The directorate of logistics is one of the main arms of the Air Force."

Air Commodore Nishantha Thilakasinghe
Director - Logistics - Sri Lanka Air Force

98

"Nothing could be achieved without hard work and smartness."

Mr. Niral Kadawatharactchie
President/ CEO - Freight Links International (Pte) Ltd

106

"We are managing our supply chain with the demand successfully, implementing solutions to the rising issues."

Mr. Prabhath Hettiarachchie
Head of Logistics for Icecream - Ceylon Cold Stores PLC

116

2022 EDITORIAL COMMITTEE



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EDITOR'S NOTE



**Kalpa
Chathubhashini**
Chief Editor
Logistics Times
2022

Welcome to the 7th edition of Logistics Times!

It is with great honor that I am making the Editor's note for the 7th edition of Logistics Times. This Magazine comprises of interviews and articles underlining the timely theme of "Resilient Supply Chains for Economic Challenges in the Next Normal". The published content covers the areas of supply chain disruptions, risk management procedures, modifications to traditional supply chains, operational flexibility, integrated supply chain structures, and other aspects of building resilient supply chains with the risks of a volatile environment.

The journey of publishing this year's Logistics Times Magazine was challenging from the very beginning itself with the COVID-19 pandemic and the economic downturn and prevailing conditions in the country. Amidst all the complications, the Editorial Committee took the challenge with great effort and dedication to make this publication a success. For this reason, it can be called a reflection of all the successful attempts of the Editorial Committee and the relevant supporting parties, proving that anything can be achieved with the collective efforts of a team.

Celebrating the successful unveiling of the 7th edition of Logistics Times, I take this opportunity to express my heartfelt gratitude to all Corporate Partners for their massive contribution and dedication. A special acknowledgment goes out to the Vice-Chancellor of General Sir John Kotelawala Defence University, Deputy Vice-Chancellors, Mr. Kithsiri Amaratunga, Dean of the Faculty of Management, Social Sciences and Humanities, Dr. Wasantha Premarathne, Head of Department, Department of Management and Finance, Dr. Sabeen Sharic, Dr. Kalpana Ambepitiya, Ms. Danisha De Mel, Ms. Vasuki Jayasinghe, Ms. Parami Wijeratne, Mr. Anju Ilangasekara, Mr. K.P.J. Bemindu and all other Academic Staff of the Faculty for providing us with their remarkable guidance and support to overcome all the hardships and achieve the desired success.

I also pay my tremendous gratitude to the Co-Editor of the Logistics Times Magazine, Niroshini Karunaratne, for being the most supportive right arm, and all members of the Editorial Committee for their undying dedication throughout the journey. A distinctive appreciation should also go out to the Executive Committee of the Technical Sciences and Management Society, for being the most encouraging and supportive team working with me side by side all along with this endeavor. Last but not least, a big thank you to all the senior colleagues for providing us with their guidance, all the authors for dedicating their valuable time, all the members of the Technical Sciences and Management Society, and all other undergraduates of the Department of Management and Finance for securing yet another successful publication of the Logistics Times magazine.



GENERAL SIR JOHN KOTELAWALA DEFENCE UNIVERSITY

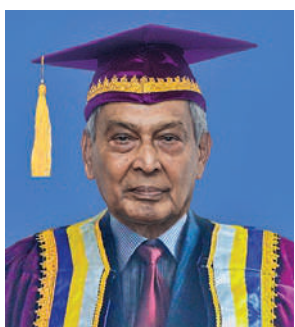
General Sir John Kotelawala Defence University (KDU) is one of Sri Lanka's most prestigious universities, producing well-educated graduates who serve the country under the motto "For the Motherland Forever." Today, KDU holds the distinction of being the country's only defence university, producing an eclectic blend of officer cadets, officers, and civil undergraduates to serve the country.

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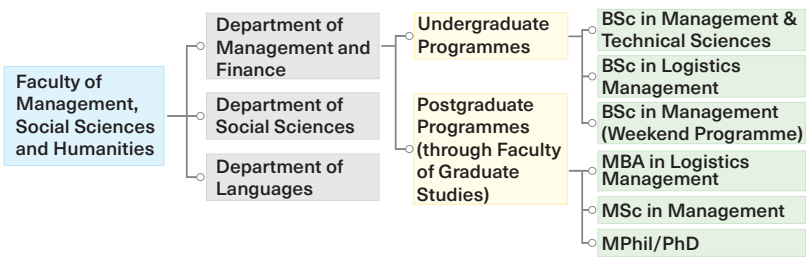


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the students for a professional career. From the hands-on training, the students are exposed to the world of work, skill development, industry networks and work ethics. At the same time, it gives the student an opportunity to put into practice what he or she has learnt at the university.

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- Student performance is assessed mainly through examinations, continuous assessments such as individual assignments, presentations, research work, group projects, and internship evaluations.
- Special recognition for the students who perform well, by being entitled to enter the VC's list and Dean's list.

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- Between 18 – 22 years of age.
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- Being between 17-24 years of age.
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Dave Waters



**“OUR BUSINESS MODEL
SUPPORTS OUR VISION OF
PROVIDING TRULY INTEGRATED
LOGISTICS THAT CREATES
VALUE FOR CUSTOMERS.”**

Ms. Sujani Kumarasinghe
Head of Customer Experience - Maersk Lanka (Pvt) Ltd

Interviewed by: Malmi Weerakkody, Udul Kalapuge
Transcribed by: Miyuranga Premawardhane, Tehani Pereira
Photographed by: Sheshan Premalal

Q Who is Ms. Sujani Kumarasinghe? Give us a brief introduction about yourself.

I am Sujani Kumarasinghe, Head of Customer Experience functions at Maersk Lanka. I work with the best people in a global team culture in an industry that has a significant impact on the world economy. I currently overlook all parts of the shipping and logistics from taking the order until its delivery. I have been with the Maersk for over 20 years, and it is the first and only company I've ever worked for. The journey with Maersk has been an incredible one thus far. I started as a finance trainee, and quickly climbed up the ladder where I got the opportunity to gain a fully global experience by working in various countries. I worked in Panama, South America as the Head of Finance Control of Central America. Following which, Maersk moved me to Copenhagen, Denmark, where I worked as the Central Business Processes Owner for the Global Finance Organization. I also headed the Business Control Team in Pune, India. In 2016, I came back to Sri Lanka as the CFO and later took over my current position as the Head of Customer Experience.

Q What is Maersk Lanka, and what role does it play in the local and international ocean freight industry?

Maersk Lanka is similar to an agency representing the liner which handles a lot of shipping and the logistics activities. When we look at Maersk Globally, it is an integrator that combines its supply chain infrastructure with the power of its employees and technology to drive end-to-end innovation that accelerates our customers' success. Understanding and delivering on our customers' needs has always been central to our business. However, markets are evolving fast, and so are our customers' requirements for seamless services that enable greater flexibility. We enable our customers to trade and grow by transporting goods anywhere. Our business model supports our vision of providing truly integrated logistics that creates value for our customers. By combining a leadership position in Oceans with Logistics & Services and Terminals, and by realising synergies across our business, we create better outcomes for our customers.

The scale of Maersk stretches to 121 countries and 343 ports globally. We have 90,000 port calls and every 6 minutes there is at least one port call anywhere in the world. We have a fleet capacity of 700 vessels with a combination of our own and chartered vessels. We own 12 million containers and on a daily basis 20% of the global container movements belong to Maersk. We serve over 100,000 customers including some of the largest brands in the world. Sri Lanka has been at a very strategic location for Maersk in terms of networking and critical geographical locations. We have about 18% of Sri Lanka's import and export market share. We have 1.5 of the TEUs in terms of the transshipment in Colombo per annum. The main export commodities we support are apparel, tea, rubber, fiber, and food items while construction materials, fabric raw materials are some of the imports.

Maersk is also determined to lead the change in our industry towards a carbon-neutral future. Change demands action, and our commitments to decarbonisation are firm and clear: a 60% relative reduction in CO2 emissions by 2030 compared to 2008 levels, net-zero vessels on the water by 2030, and net-zero CO2 emissions from our own operations by 2050. Our climate commitments also extend to supporting our customers' carbon targets. We continue testing and launching new products – such as Maersk ECO Delivery – as we work to accelerate the uptake of carbon-neutral products and services across our industry. It's just one of the ways that we go all the way to drive sustainability in our customers' supply chains.

Q According to your opinion, what are the specialties that differentiate Maersk Lanka from other competitors, in enhancing customer experience?

Our strategies are defined around customers and customer needs. We have a verticalized view of the customers; these verticals are lifestyle and apparel, FMCG, auto, and chemical. I see a lot of customer focus in Maersk as our strategy has changed from being a very introvertive company that owns its ships to becoming a fully customer focused company which designs

its operations around customer needs and provides tailor made solutions to meet their requirements. This is more of a long-term strategic relationship from the customer's perspective.

The digital tools, 'Twill' and 'Spot', which we have had over the past decade, are one of the market pioneers. For example, one of the key parameters which show Maersk is a pioneer in customer experience is that we are close to our customers which makes it easier to work with. This is because Maersk has so many digital tools which have enhanced transparency, trustworthiness when it comes to pricing and service delivery.

Q How does Maersk intend to support customers from the SME sector through the "Twill" platform?

This is a very important question from the Sri Lankan context because there are a lot of SMEs out there that need support as they are the lifeblood of the economy when it comes to exports. There is a vast area in transportation and logistics that SMEs do

"When looking at the global turnover, about 40 billion dollars was acquired from digital tools."

not have much experience in handling, thus having to struggle by paying unnecessarily high prices. The world of shipping can get a little overwhelming, and there is a lot of information going around. That is where 'Twill' steps in with its tailor-made, end-to-end customer experience built to serve small and medium-sized businesses.

We have an onboarding program for new 'Twill' customers so that they get familiarized with the platform. We have also partnered with a few local banks to support them with their SME customer base in order to let them know that shipping and logistics are not that difficult.

'Twill' and 'Spot' are both digital platforms which have been pioneered by Maersk.

'Spot' is a digital platform similar to Uber. It is a solution to problems faced by customers in the past which gives them the guarantee of space and equipment via Spot. Pricing is also very transparent and is based on demand and supply similar to Uber which also uses a fluctuating pricing model with all facilities combined. However, other shipping lines are now replicating this idea and adapting it to their companies. When looking at the global turnover, about 40 billion dollars was acquired from digital tools, which means that customers are actually accepting these tools. Our company is not a digital and tech giant, but is a shipping and logistics company, earning one of our largest revenues from these digital tools, which truly shows that customers are embracing this technology.

Most of our customers are keen on using 'Twill' as it is a user-friendly platform where bookings can be done in just a few clicks without any hassle of logistics complexities. 'Twill' offers two pricing options with no hidden costs where customers can choose between daily rates and monthly fixed rates. With 'Twill' customers can book their shipping container from warehouse to warehouse, port to port or other combinations. Whatever they choose, we make sure they can track their cargo along the way and stay up to date on its status. All the shipping documents - from commercial invoices to booking confirmations - are stored safely on the platform, which can be accessed from any device, at any time. 'Twill' also provides a personalized customer service with 24/7 customer support when needed. Hence, we want the SME community, EDB and BOI to really understand how to operate 'Twill'. It is one of our platforms on which we do a lot of national programs to support SMEs. ss

Q Maersk is known for delivering its value proposition through excellent customer service delivery. How do you handle customer requests on time with utmost care?

Supply chain is a transformation process. There is always room for things to go wrong as it is a complex field due to port congestions, vessel delays, adverse weather conditions, etc. However, we try to make the processes by using digital



tools to make it easier for both customers and us. This reduces their dependency on robust telephone answering and emailing systems which cost a great deal of time and effort to the customer. We want to encourage our customers to adapt to this transformation of contactless interactions in order to make sure that their lives are made easy. Customers can create their own accounts and have access to their shipment details and also receive updates via SMS. We have case management systems which help us strictly monitor the customers' struggles and track the journey of closing a case. We strongly monitor the internal KPI which is the turnaround time when a case is opened. After the completion of a case, we send out a customer satisfaction survey, and this has really increased our ability to serve our customers better. We extend this facility to each of our cases which come in the form of calls and Bill of Ladings and are monitored in a very structured way. We use 'net promoter score' which is a survey, that gathers customer input and is launched quarterly to get the feedback of customers when it comes to customer service.

“We want to encourage our customers to adapt to this transformation of contactless interactions in order to make sure that their lives are made easy.”

📌 What impact does technology have on Maersk Lanka's operations, and what new technological developments have the company adopted to stay up with current trends?

In terms of our integrated strategy, as we know, Maersk is not only limited to being a shipping company but has many other products as mentioned before. We support customers by handling the consolidation function of exports in Sri Lanka as we have our warehouses in the country. We handle customer brokerage and clearance as we handle the end-to-end supply chain service which begins from when customers place their order to the point where it is delivered to them. Therefore, our transformation journey still has a long way to go.

On the other hand, our air freight footprint is also developing with Colombo as a main hub. There is a large consolidation business in Colombo as all the BOI companies and BOI apparel customers are able to fulfill their service requirements. If you look at the 3PL business, which has been nominated by the global buyers and act as the representative for purchase order management, purchase order visibility, we have an end-to-end workflow monitoring system which makes sure that the packing, tagging of labels, and handling all other value adding facilities are being provided. Among the other products we develop, are the Less than Container Loads (LCL) which we really look into as customers may have certain requirements pertaining to this. Typically, forwarders handle these, however, Maersk has extended its services even to LCLs as well. Maersk seeks to continue serving its strategic customers with end-to-end integrated solutions which they require, covering a vast area of services consisting of lead logistics, contract logistics, 3PL business, 4PL business, air freight,

forwarders, ports & terminals, ocean carriers, intermodal operators, government authorities, customs brokers and more. At the initial stages, we faced some challenges, in the local context, to convince the banks and the Central Bank of Sri Lanka to understand the benefits the platform has to offer. However, with lot of support along the way, we were able to onboard NDB Bank on the platform as the first bank out of Colombo. And now the ecosystem continues to grow with more terminals, SAGT and CICT coming onboard while the discussions are in progress with the customs as well. Five of the top six global carriers, CMA CGM, Hapag Lloyd, Maersk, MSC and ONE, are now part of TradeLens ecosystem; in addition to a number of regional carriers and feeder operators. The number of ecosystem network participants on the platform is 500+ and rapidly growing. The platform promotes the efficient, transparent and secure exchange of information in order to foster greater collaboration and trust across the global supply chain.

“In the heart of Maersk’s integrator strategy lies the value creation model, which links Logistics and Ocean through customer synergies and Ocean and Terminals through financials and operational synergies.”

warehousing, finished goods storage, fulfillment centers, last-mile delivery and e-commerce which all come under one roof now.

Q Maersk and IBM collaborated on “TradeLens”, as mentioned earlier, a carrier-neutral, blockchain-enabled digital supply chain platform. What steps has Maersk Lanka made to encourage the country’s use of TradeLens and other digital solutions?

TradeLens is an open and neutral industry platform underpinned by blockchain technology. The TradeLens platform has been jointly developed by Maersk and IBM, supported by major players across the industry such as shippers, freight

Q With the outbreak of the pandemic, the Logistics industry was affected by unforeseen disruptions followed by an economic crisis in Sri Lanka. What are your suggestions to keep the customers satisfied with their demands in this challenging next normal environment?

Actually, it is very challenging because almost every port is congested and there were a lot of things happening out there disrupting the normal procedure. Pandemic is one of them and due to this unfortunate situation in Russia and Ukraine, we can’t move containers to those regions for our customers and safety of our people is of paramount importance. In addition to that, US ports are completely congested, therefore the turnaround time of our ships are causing delays forcing us to deploy



more ships to have the same service levels. There are lots of constraints and if you look at logistics, the demand continues to grow significantly. At present, in the US and Europe, the demand is on an upward trend. The supply chain to export from US to Europe is increasing from our sub-continent and also from China. It is not only shipping, the entire logistics, warehousing, trucking solution, reliable rail services, and air freight services. We are trying to keep up with the demand of our customers.

Secondly, when developing the digital tool, of course, there are disruptions beyond our control but at least customers are aware of those challenges upfront. We try to offer feasible solutions for the customers based on their requirements. Some customers want to slow down the supply chain and some want to expedite the service. We have certain customers who seek delayed transit solutions. For example, cotton containers moving from Africa to Chittagong want to store in Colombo because customers want to slow down the product. Therefore, we continuously understand customer requirements and try to support them with new solutions during the disruption. We support them with the optimum cost solutions as well. Things have not been easy, however, customers have never been short of options with Maersk, as it is ensured that disruption can be reduced and supply chain can always be optimised.

Q What are the new strategies implemented in Maersk Lanka to maintain or

ganizational resilience with uninterrupted ocean freight operations?

As A.P. Moller - Maersk has delivered strong earnings and growth momentum during the last year and saw the strategy of becoming an integrated container logistics company validated, the company now stands ready to further efforts in building the three world class divisions with strong synergies between them. All are embedded with a customer-centric, digital and value creation rooted mindset.

In the heart of Maersk's integrator strategy lies the value creation model, which links Logistics and Ocean through customer synergies and Ocean and Terminals through financials and operational synergies. Whereas, Ocean will continue to deliver stable earnings levels and strong enabler of the company's strategy, Logistics & Services aims for significantly higher growth rates and new ways of addressing customer needs. To support this growth, Maersk will spend about USD 1 billion in investment of CAPEX over the coming two years and continue to complement this with Mergers and Acquisitions to continue to build up capabilities and progressively scale.

Also, on the terminal side, Maersk will focus on best-in-class returns and over the next five years the company plans to invest approximately USD 600 million in total on automation in around 30 terminals. The company has already seen significant improvements on the operational side as well as reductions of carbon emissions from increased use of automation. In Sri Lanka, we

are also focused on expanding our footprint on warehousing. We have a hope that we can develop Sri Lanka as a hub in the continent. We receive a lot of support from the port authority, terminals etc. Our plan is to build Sri Lanka as a multi-country consolidation (MCC) hub. There are few hub ports for the Maersk network around the globe and we are developing Sri Lanka as one of the key strategic hub ports among them. We have aggressive plans to increase the operations in Colombo. Delaying transit products is something we are strategically looking at in Sri Lanka.

Q As a veteran in the field, what would your advice be to the young undergraduates who are passionate about pursuing careers in the shipping industry?

The world of shipping and international trade is as exciting as it is diverse, thus providing a great industry to work in. Some of the biggest ships in the world can carry up to 18,000 shipping containers, full of items that end up on the shelves of your supermarket or delivered to you straight from abroad. However, for such a major, worldwide industry that is crucial to the economy, not that many people consider shipping a viable career option. As 2022 progresses, the opportunities within the shipping industry are evolving too. The industry was once viewed as lagging behind modern technology but there are now roles available.

As a representative of the Women's International Shipping and Trading Association (WISTA), we visit schools and universities to talk about the industry and encourage young girls assess the different kinds of jobs available in this sector. It is also so nice to see that General Sir John Kotelawala Defence University has a Logistics Management degree program where very few universities provide such qualifications in Sri Lanka. If I compare with Panama because I used to live and work there, vast majority of the graduates there have a logistics or shipping degree because in Panama their bread and butter is the canal and its shipping operations. There are about 3 million people living in the country and their major focus is on this education of shipping and logistics. Even though we say

that historically we are in a strategic location, when it comes to designing the courses, we have not provided much prominence in the logistics and shipping field. I strongly encourage young students to study in this sector as it is a fast-evolving business. Apart from that, I think it will be more complex in the future because we are bound to have a lot of disruptions around the world which would mean that the focus or the attention on this industry will grow and the demand is going to grow.

Interviewee: Ms. Nadeera Abeykoon

HR Business Partner - Maersk Lanka (Pvt) Ltd

Q Maersk Lanka was crowned as one of the 40 best workplaces in Sri Lanka in 2021. What is Maersk's belief on "happy employee makes a happy customer"?

Apart from being one of the best 40 workplaces in Sri Lanka Maersk came among Asia's 50 best workplaces in 2021. I look at it through two lenses. First one is people's perspective where, in a career, there are a couple of things we focus on. What you are good at doing, what the company wants from you, and whether you enjoy doing what you do. This combination must be there. It starts from the recruitment process, finding the right person for the right position. Freedom and empowerment are given to our people along with the responsibilities. Our organization is evolving with the new generations that are coming in and new policies such as flex benefits, work from home, freedom to wear casual dresses while keeping the industry standards, making the workplace feel like your own home; because we feel there is quality work when there is peace in mind.

Secondly, we have a good set of policies and culture; people are enjoying what they are doing but at the end of the day they are doing it for their living not just for the sake of fun. We support their career progression, the opportunities they have. During this year out of our population 30%-40% have changed their roles and out of that 40%, 10% got international assignments. We have the talent to move to Copenhagen, UK and Dubai which are rarely seen opportunities, particularly in Sri Lanka.

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“GREATER RESILIENCE OFTEN LEADS TO MINIMIZED RISK AND GREATER ABILITY TO INVEST IN INNOVATION AND GROWTH.”

Mr. Upul Peiris
Group Director - Hayleys Advantis Ltd

Q Can you give us a brief overview of your background and career?

I joined Hayleys Advantis Group in 1987 and functioned in several roles across different business verticals. Subsequently, I was appointed as a Director to a subsidiary company in 2004 and as a Member of the Group Management Committee in April 2007. I was later appointed as a Director of Hayleys Advantis Limited in April 2009 and continued to function as an Executive Director of the Group to-date. I am a Fellow of the Institute of Chartered Professional Managers of Sri Lanka and a Chartered Member of the Chartered Institute of Logistics and Transport (CILT) UK.

Q Last year was challenging for all businesses due to the COVID -19 pandemic. However, your company has achieved several outstanding awards for the excellent work including SLIM Brand Excellence Award in the same year. What strategies did your company implement?

As the COVID-19 pandemic brought a myriad of challenges, all industries were faced with difficulties and uncertainties. However, during this period, one thing was clear. As an industry that never sleeps, we had to keep moving forward without halting our operations to ensure that the logistics of our clients never came to a standstill.



The Advantis team was resilient from the start and stood by their clients, and always went beyond what was expected to help them achieve their objectives. Whilst many industry players were struggling to adapt, we identified opportunities where we could offer our services in a pandemic environment and even went to the extent of finding new solutions for our clients who were in distress. Our agility proved that we were geared to provide our customers with the best solutions given the circumstances. The Group also underwent a change in the structure during the year, where we worked towards clustering service portfolios to suit client needs better. Through this process

and by following a governance structure we were able to ensure that the aspirations of our stakeholders were always met.

As a result, the Group was bestowed with many awards from numerous awarding bodies for the exemplary efforts put forward by our people across many fields. Advantis was recognised as one of the best B2B brands in Sri Lanka for the outstanding branding initiatives carried out to amplify the value of the brand 'Advantis'. Additionally, the awards received at the Presidential Export Awards, Annual Report Awards, ICS Awards, NCE Export Awards and the Gold 100 Awards in the Maldives



are a testament to the innovative and outstanding performance of the Group even during a pandemic.

Q What was the reason for introducing the 'Advantis Ideastorm' programme and how did it contribute towards the organisation's success during the pandemic period and in the next normal environment?

In 2020, Advantis Ideastorm was introduced to encourage our employees across all levels to brainstorm and formulate new ideas to enrich existing businesses and

introduce new business verticals adjacent to the core businesses, which could be implemented especially during and after the pandemic period.

We received over 160 ideas submitted amongst over 230 participants under two categories – Revenue Generation and Service Optimisation. After multiple rounds of judging, the top 15 ideas were shortlisted and presented to the final panel of judges, out of which the top three ideas were awarded, Gold, Silver and Bronze.

Phase two of Advantis Ideastorm – 'Advantis Ideastorm | Champions League', was catered for teams who successfully progressed in implementing their ideas that were submitted during phase one. The teams who participated were rewarded based on the level of progress, the value realised, and the future potential of their ideas; both financial and non-financial. The projects that have already been implemented as a result of this programme have made significant contributions to the Group financially or through savings in terms of cost, quality or time. These new ventures are expected to deliver considerable value to our clients, especially in the next normal environment. Through this initiative, we have paved the way for innovative thinking across the Hayleys Advantis Group whilst encouraging our employees to be proactive in doing things differently.

Q Can you explain the necessity of a resilient supply chain for a company in the shipping industry?

Due to the interdependency of all the links in a chain, even a small problem in one isolated region has the capacity to compromise the entire system, that is, an entire global supply chain. When major worldwide events take place, the potential for widespread supply chain disruption is significant. Supply chain operations also, often, represent the greatest area for risk and loss in many companies. By their nature, supply chains are globally dispersed and complex in their functionality. This makes them especially vulnerable to risk.

In an increasingly competitive market, finding a balance between supply and demand is a major challenge for any company that is involved in managing supply chains. But when companies invest in diversification, supply chain technologies, and other resilient measures, there are many potential business benefits such as efficient operations, improved productivity and risk reduction. Greater resilience often leads to minimized risk and greater ability to invest in innovation and growth. Furthermore, resilient supply chain technologies contribute to an overall rise in productivity across the system.

Q According to, Mr. Ruwan Waidyaratne, Managing Director of Hayleys Advantis, “Hayleys Advantis was early and aggressive with digital investments”. How does Hayleys Advantis use digitalization to encourage resilient supply chains?

Very early on after the Covid-19 outbreak, a road map of cluster driven digital initiatives were crafted for the business units under three core themes: customer centricity, operational excellence and process innovation were formulated. The main objective of this programme was for business units to be agile in adapting to rapidly changing industry practices and customer needs. At the core of this road map is a ‘Transformation Enablement Layer’, which is common to the Group’s businesses and focuses on initiatives that would enable a data governance structure, data driven decision making through visualisation, business intelligence, and integration capabilities with relevant operational systems of stakeholders. At operations or cluster levels, multiple breakthrough digital initiatives were identified to enhance functional capabilities specific to subsidiary business units and/or the business clusters, aiming to provide end-to-end solutions with minimum touchpoints, thereby enhancing overall operational efficiencies.

Q As a leading Marine Services and Ship Supplies provider in Sri Lanka, what kind of impact does the current dollar crisis

have on the Marine Service Supplies of Hayleys Advantis?

A currency crisis or a dollar crisis manifests itself in two ways: one, where there is a sharp decline in the value of a country’s currency, and two, when there is insufficient money available in the market. As a company that is involved in the supply of marine services, the impact of the currency crisis is on both of those sides. In the first scenario, the company often has to acquire the supplies in one currency and sell in another. Given the current inflationary conditions and the dramatic fluctuations of exchange rates, buying in dollars and selling in rupees mean that there is greater potential to earn higher amounts of rupees. However, this contributes to the second problem where there is a constant reduction in dollars and an excess of rupees. Consequently, when

“With a resilient workforce on board, we have always responded to unexpected circumstances promptly, further enforcing our Purpose – Inspire, Connect and Enrich. We value our people, diversification and our preparedness.”

the time comes to reacquire supplies, then there is a shortage of dollars which brings the supply chain to a standstill. The current dollar crisis has an impact on sides of supply chain of marine services. There are issues in sourcing dollars to acquire the relevant supplies, and there are complications when such supplies are to be sold or distributed to the end users. As a result, the company has to constantly find ways to increase dollar earnings so that the pressure on the supply chain is minimized.

Q As Sri Lanka’s most diversified transportation and logistics provider with six

decades of experience, how does Hayleys Advantis maintain the stability of the supply chain during the current economic crisis?

Any company will be able to gauge an understanding of its true capabilities based on how they react to unforeseen circumstances. When such situations are approached aptly, it will have an overall positive impact on the company's brand image resulting in a surge of confidence amongst clientele and the overall market. With a resilient workforce on board, we have always responded to unexpected circumstances promptly, further enforcing our Purpose – Inspire, Connect and Enrich. We value our people, diversification and our

“As a Group engaged with a large portfolio of global multinationals and Fortune 500 companies, we ensure that as a service provider, we are ready with contingency plans to be able to assist the uninterrupted supply chain of these global players.”

preparedness. Our employees prosper from our unique culture and are accustomed to innovative thinking and furthering team spirit. As a result, our teams have built partnerships with clients to provide best in class services, ensuring that their needs are always met. As the most diversified group within the transportation and logistics space in Sri Lanka, we provide end-to-end logistics solutions. Most importantly, we possess the hardware to cater to various segments of a supply chain transaction. Furthermore, our strong overseas network and operations allow for a smoother execution of our duties.

As a Group engaged with a large portfolio of global multinationals and Fortune 500 companies, we ensure that as a service provider, we are ready with contingency plans to be able to assist the uninterrupted supply chain of these global players. As a

Group backed by the Hayleys Group – the largest listed multinational Company in Sri Lanka with much focus on manufacturing and exports, we are able to generate a substantial share of foreign earnings. This had helped Hayleys Advantis during the crux of the COVID-19 global pandemic as well as the current economic and financial crisis faced in Sri Lanka today.

In summation, the above points have assisted Hayleys Advantis in maintaining stability in terms of a strong supply chain as well as meeting the changing needs of our clients. In addition, we were able to stand out in the transportation and logistics sector as a company that has continuously demonstrated resilience by providing security and assurance to our clients during challenging times.

Q What are the future improvements Hayleys Advantis hopes to deliver as an innovative 3PL provider?

Today, consumers become increasingly aware of new developments and technologies through multiple communication mediums. As a result, consumer expectations have become complex, varied and specific depending on diverse requirements. As a 3PL service provider representing some of the world's leading brands that are constantly used or consumed by informed consumers, Hayleys Advantis is continuously innovating internal processes to create agile solutions that help the brands live up to their demands. These techniques aim to reduce lead times, give real-time visibility, enable pick up and distribution of small-scale order quantities, and even ensure that the products reach the hands of the end-user through streamlined last-mile delivery mechanisms. All these activities, amongst others, are constantly assessed and scrutinised to develop quality solutions continuously. Furthermore, we work closely with our principals and partners to create overall efficiencies across the entire supply chain to achieve greater flexibility and reliability that all stakeholders can enjoy.



RESILIENT SUPPLY CHAINS FOR INTERNATIONAL TRADE IN NEW NORMAL

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The COVID-19 pandemic has created the most severe disruption in the international Supply Chain (SC) in history. The loss of life has been the most tragic result of the pandemic, but the economic impact has been equally devastating. The SC of the different industries has undergone imminent disruption of flows due to the severity of the pandemic. Lack of adequate risk management, single-sourcing strategies, insufficient delivery options, and the closure of production lines are only a few of the supply chain management (SCM) difficulties in international trade faced during the pandemic situation. The fluctuation in the currency rate and sudden price increases have off-balanced the whole SCM around the globe. The repercussions created by the pandemic in the field of SC are enormous and will continue to have a profound impact on SC in the days to come. The lockdowns of various countries have created economic downfall and disruption in the international SC.

The term Resilient Supply Chain denotes the ability of the SC system to persist, adapt, or transform in the event of any change or disruption. It is now becoming a popular term in the field of SCM. In the present context, international trade SC needs to be more resilient to tackle unwanted interruption. The global economy has profited from globalization in a variety of ways. Nonetheless, it has also increased the risk of systemic SC failure for governments, organizations and individuals. This type of risk could lead to a widespread and long-term shortage of a product or service with no substitutes or alternatives. The COVID-19 crisis is an example of such a hazard, and it appears to have pushed globalization backwards. However, the recent technological development as in industry 4.0 promises more possibility to tackle SC chain risks in the post COVID scenario.

The resiliency in SC can be bolstered by adopting various measures starting from state strategy up to the company's plan to tackle any situation. The public will demand the government to take appropriate measures to ensure the security of supply. On the other hand, the trade policymakers need to secure the SC as per the international and state policies with varied alternatives. Again, the public or the private organisations will desire the assurance of providing service and goods globally at the right time and in the place with the accurate quantity. This approach needs low-level risk management strategies at the company level, private action plans, the stress testing of SC, and strategic policy at the state level. While public-private action plans are intended to strengthen the resilience of the global SC chain in advance of a crisis, strategic governance measures are anticipated to lessen the impact of existing crises. Strategic governance takes the form of joint activities in which commercial actors choose extra self-regulation while obtaining help and advice from public authorities such as international organizations or national regulatory agencies. Public-private strategic governance creates a win-win situation when it is effectively designed. Public actors can better monitor the resilience of vital SCs and ensure appropriate market conditions for the provision of essential products and services. Overall, strategic governance provides for synergy between government relief measures and corporate risk management techniques.

One of the essential factors in international trade resiliency is to keep the international market open. Shipment in due time remains as the Achilles heel to the SCM system. Despite various efforts at the national level, global SC requires a vigilant response at the international level. This includes a wide range of multinational, plurilateral, and bilateral agreements, as well as softer forms of policy coordination. It is critical to include extra commitments in international trade to deal with the need for basic commodities and services during an emergency. It also advocates for general and particular exclusions to terms in global trade and investment agreements to foster confidence among parties and encourage collaboration in times of crisis. The first

direct commercial freight trip for the apparel industry from Bangladesh to Europe set a milestone in the international trade SC in February 2022. The new direct route will decrease transportation time by around 24 days, and save costs by 40%. It is one of the prime examples of making resilient SC.

International regulatory cooperation enables coordinated efforts by governments, businesses, and international organisations to create common methods, such as agreements on streamlined processes or the adoption of international standards to simplify the flow of critical commodities. Communication and information exchange will aid sectors in adapting to changing requirements. International regulatory cooperation is critical for harmonising methods and avoiding needless frictions and measures. It is also critical to improve predictability, promote consistency in policy approaches, and reduce unneeded trade repercussions. International regulatory cooperation encompasses a wide range of national and international players; including legislators, regulators from many policy areas, and private standard-setters. International organisations have the institutional framework and technical skills to develop shared understanding in certain areas crucial to crisis response, such as COVID-19. They can assist to concentrate regulatory cooperation across nations and encourage the adoption of uniform norms that can increase supply chain resilience.

Now the question that may arise is how international resilience can be increased? Localizing the SC could be a solution to SC security. The reasoning is that the supply is more guaranteed when production is local. Any country may impose restrictions on export when there is a crisis. A regional strategy of producing a substantial proportion of essential goods within the region may help to counter such a crisis. For example, supplying items to Western Europe, Turkey, Ukraine, and other EU countries could be selected instead of China. Chinese companies seeking to maintain their worldwide market share are already going to Ethiopia, Egypt, Kenya, Sri Lanka, Myanmar and for low-tech, labour-intensive production. Chinese investment

Chinese BRI engagement across different regions 2013-2021

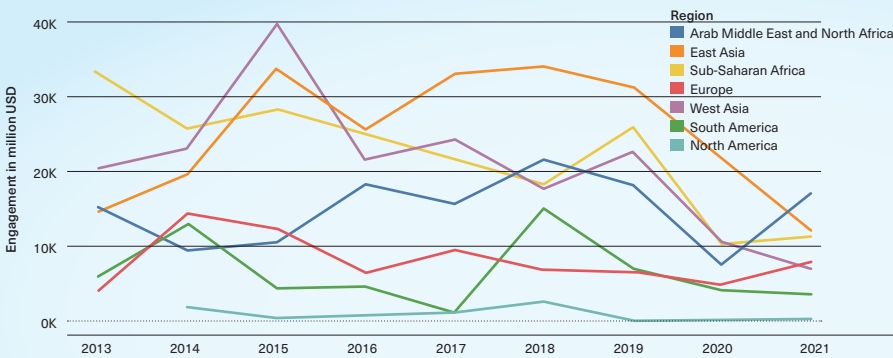
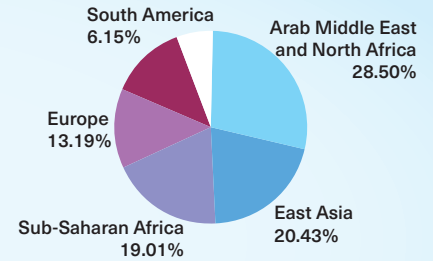


Figure 1: Chinese BRI investment and cooperation 2021 by region



Growth/decline of BRI engagement in different regions

		2015	2016	2017	2018	2019	2020	2021
Sub-Saharan Africa	Construction	15%	-10%	-2%	-33%	32%	-49%	-21%
	Investment	-2%	-43%	-41%	150%	63%	-81%	156%
Arab Middle East and North Africa	Construction	9%	59%	-23%	43%	-28%	-44%	116%
	Investment		742%	85%	11%	52%	-96%	361%
West Asia	Construction	84%	-46%	41%	-45%	20%	-56%	-3%
	Investment	51%	-46%	-49%	84%	42%	-48%	-70%
South America	Construction	-4%	-28%	-76%	84%	-67%	-33%	643%
	Investment	-94%	242%	-66%	2,187%	-52%	-39%	-61%
East Asia	Construction	17%	31%	-14%	24%	-13%	-15%	-33%
	Investment	114%	-49%	78%	-9%	-4%	-40%	-56%
Europe	Construction	-85%	560%	22%	12%	46%	-11%	106%
	Investment	-3%	-62%	55%	-39%	-38%	-44%	-56%
North America	Construction	17%	0%	119%	119%	-94%	44%	22%
	Investment	-100%		-100%				

under Belt Road Initiative (BRI) to developing countries is depicted above (Figure 1).

The efficacy of national logistics and transportation infrastructure is critical to international trade and the efficient operation of global SCs. In the case of a worldwide disruption, state resilience in terms of international trade might be undermined by inadequate logistical infrastructure and competencies. The pandemic has disrupted supply and demand, putting strain on logistical infrastructure. This dependent demand argument applies to all components of a national logistics chain; including roadways, airlines, custom offices and individual logistic providers. As a result, a country's capacity to withstand a crisis will almost certainly be determined by its logistics system's ability to cope with supply and demand fluctuations. A good logistics system at the national level will help in recovery by allowing items to reach the appropriate places at the right time.

Long before COVID-19, the Fourth Industrial Revolution technologies were causing a rearrangement of global value chains that included major manufacturing relocation. The pandemic has accelerated these trends, as production resilience and dependability have become more important, and both automation and "reshoring" allow

for more flexible adjustment to changing demand, mitigating firms' risks in the event of a pandemic or other external shocks. To address the SC issue, developing nations might use regional pacts to build and reinforce regional value chains. These can ensure that small businesses collaborate to decrease transaction costs and reap the benefits of economies of scale. Long-term funding is also required for manufacturing in emerging economies. Companies in countries with the ability to build regional manufacturing centres may be unable to capitalize on value chain opportunities or scale up production as demand increases due to a lack of cheap investment. National and regional development banks must play a major role in this by establishing new regional agreements.

On a more fundamental level, the pandemic has proven the need for SC managers to incorporate risk management and resilience into all parts and levels of decision-making. This might be its legacy to the SCM professional, preparing it not only for future health emergencies but also for a wide spectrum of other high impact, low probability occurrences. The new normal will provide a robust and secured SCs if all tiers can adopt appropriate measures to strengthen SC resilience.

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(Sources: based on AEI
and others)



“PROACTIVE ACTIONS, RATHER THAN REACTIVE ACTIONS ARE REQUIRED FOR SUPPLIER RELATIONSHIP MANAGEMENT.”

Mr. Kanchana Fernando
Head of Procurement - Nestle Lanka PLC

Interviewed by: Malmi Weerakkody, Kalpa Chathubhashini, Hiruni Yapa
Transcribed by: Induwaree Ganepola, Malith Lushan
Photographed by: Nethmi Ariyadasa

Q Who is Kanchana Fernando, can you give us a brief explanation about yourself, your experiences in the industry, and your career journey?

I am a Finance graduate from University of Sri Jayewardenepura, and an associate member of CIMA, UK. I started my career as a banker and then worked in a finance company. Then I joined Nestlé Lanka PLC as a procurement buyer in 2010. I moved around different procurement spend categories, such as ingredients, packaging, and commodities, and eventually became a senior strategic buyer. In 2014, Nestle provided me with the opportunity to reach my potential by exploring outside our market at an early stage in my career. I also received a mission assignment to work as a procurement senior project analyst at Nestlé Headquarters in Switzerland. There I gained the experience in global procurement transformational projects such as procurement spend category opportunity identification and aggregating it at local or global level, procurement organizational designing and supplier relationship management.

In 2016, I moved to India and took over the responsibility of Procurement Excellence role for South Asia Region and gained experience in lean value chain, process improvements, digitalization, procurement e-tools and lead key change management projects. In 2018, I became the Head of Indirect Material Procurement for Nestle India where our team scope was to manage the media advertising, marketing, logistics and administration. Now I am working and building my career as the Head of Procurement at Nestle Lanka PLC since 2019.

Q Nestle stands for “Good Food, Good Life”. How would you describe the service offered by Nestle to Sri Lankans?

We have been providing nutritious, tasty, and safe products to Sri Lankans for more than 100 years, and all our products can be enjoyed as part of a balanced diet. We enrich relevant products with vitamins and minerals, including the ones deficient in Sri Lankan diets, such as iron and vitamin A and we continuously assessed Sri Lankan nutritional needs and improve nutritional profile to cater to those needs of the consumers in Sri Lanka. We are also contributing positively to the community.

As one of the Sri Lanka's largest private sector collectors of fresh milk, we play a big role in helping to develop the local dairy industry and increase local fresh milk production. As one of the world's largest exporters of coconut milk powder, we indirectly purchase over 90 million coconuts a year from over 8,000 Sri Lankan farming families. In 2021, our total payout to local suppliers for coconut came to Rs. 6 billion. The Nestlé Coconut Plan is a coconut development programme that we launched in collaboration with the Sri Lanka Coconut Cultivation Board (CCB) in 2016. It aims to help in securing the coconut cultivation and rural farming livelihoods, to address the issue of irregular coconut supply in the country. At the same time, Nestle started localization of imported materials by developing local manufacturers and developing them to a world-class level and opening the doors for them to be part of Nestle global supply base. We provide knowledge, global standards, and carry out best practices for local manufacturers.

Q Nestle is focused on greening the value chain to hold the responsibility of protecting the planet. How have you been working towards a more sustainable future for your organization as well as the planet?

We have a global commitment towards sustainability which has been announced by the group CEO by himself, all the global objectives and missions are sustainable and applicable to all the markets of Nestle. Basically, we work on reducing virgin plastic usage in our products and are committed to using recyclable packaging in the future. We have initiatives to reduce greenhouse gas emission in our value chain. For example, we reduce the usage of fuel in our trucks by improving truck utilization and planning to move into hybrid or electric trucks in the future. We are also working towards the use of renewable energy in our facilities. Nestle is always dedicated and will contribute positively to sustainable initiatives for the betterment of the planet.

Q How did Nestle Lanka manage the team through proper leadership with the disruptions caused by the COVID-19 pandemic over the past two years?

Crisis always brings opportunities, and we should be geared up as a team to grab those opportunities by proactively working towards them. Team management is not difficult in any circumstances if you articulate the purpose, vision, and bigger picture to the team. Then the team will strategize on how to operationalize it and what needs to be done in reality to face the disruption. To face any external disruptions, we followed the following approaches. First, the leadership needs to be positive and should spread positivity among your team members. Being negative and getting panicked as a leader is a recipe for disaster. Then the seamless communication from top to bottom levels should be there; taking decisions at the right time, if you don't have a solution, request for support at the earliest, do not become a perfectionist and pinpoint issues or pass the blame to others. Please avoid micromanaging team members and always empower the team to make decisions while you should stay at their back to support, debottleneck their constraints. We have empowered our team members to take their decisions by understanding the bigger purpose of the company which is the key to our success.

Q Can you give us an explanation of the procurement software currently in use in Nestle to handle the sourcing and purchasing operations? How do these digital solutions help to adapt to the next normal?

Nestle uses ERP systems like SAP and Arriba. It is a tool that allows e-auctioning or e-tendering. In the new reality, we may not have the luxury to meet suppliers or business partners physically, this is where digital sourcing tools become more and more relevant in procurement. At the same time, we are going to onboard e-invoicing platforms that will enable the suppliers to send the invoices digitally, without manual paperwork. The physical presence of users or requestors is not essential, we have created digital online forms which enable the requestors to share that information effectively with the procurement team. We have enabled catalogues when buying some standardized, recurring indirect material spend categories where users can log in to a catalogue and order the items from it. (e.g., Promotional items like mugs)



To answer your second part of the question, there are three elements in procurement as strategic, operational, and supplier relationship management. In the future, the strategic procurement or buying (e.g., commodity buying) element will be predicted using technology through predictive analysis or artificial intelligence. The operational procurement (e.g., creation of contracts, purchase orders, sending purchase orders to the suppliers) will embrace the new tools and technologies to automate the processes and avoid manual interventions. Automating the operations will save the time of the procurement buyers to develop strategies to benefit the business through procurement activities. Proactive actions, rather than reactive actions are required for supplier relationship management. Therefore, the use of SRM tools will help to identify joint business plans and structured communication with suppliers.

Q In the recent past, how did you manage the delivery of essential supplies from both local and international suppliers amidst restrictions? And what are some mitigatory actions in place at Nestle to help with supplier relationships in the future?



When a crisis arises, a well-structured approach is needed by fore-sighting what is coming. We followed a model called, “7-30-60”. With the production plan for the next 7 days, to ensure the availability of materials without any disruption ensure no supply disruptions for your next 7 days plan by Actioning now. Next 30 days, ensure what was planned is on track. Therefore, capture those risks and create an action plan to review on a daily or weekly basis. (e.g., follow-up on shipments and use alternate vessel bookings, air freight if required) For the next 60 days proactively anticipate risks and define mid to long-term action plans and develop business continuity projects along with cross-functional teams. (e.g., developing multi origin suppliers, developing material substitutions)

In terms of ensuring the supply during the pandemic season, we strengthened our basics through having a stock-cover policy. Having multi origin suppliers may avoid the risk of working with a single vendor in a pandemic situation. Having two suppliers from the same country is not good enough in the new reality. Our strategy was to develop multi-site suppliers of multi origins to ensure an uninterrupted supply. At the same time, we are focusing on local supplier development since importation is getting restricted and it

supports to reduce the dollar outflow from the country. Wherever the imported materials are used, it needs to be critically analyzed on a full scale to identify whether there are local items that can be used as substitutes. Localization is one of the great things we did in the past to mitigate the risk of import restrictions and disruptions in the global supply chain.

📌 The ongoing economic conditions with severe inflation on some essential items are affecting many businesses and their operations. As the head of procurement, what is your take on such economic challenges and ways to face such situations successfully?

We need to read the signals and identify the potential disruptions in advance as much as possible. If you eternalize yourself, you will be able to gauge the gravity of the problem more than the others. Then transparency should be maintained with the business stakeholders and make them aware of the potential future situation. Do not share only the risks, always go to the management with the potential proposed solution. Align those solutions and be open to new ideas or feedback coming from others. Evaluate and implement what is right for the company.

Strengthen your key procurement levers. Challenge the status-quo of “what we buy, how we buy, where you buy from”. What we buy currently might not be feasible in the future due to inflation or supply disruptions. We should be able to identify what are the alternatives available to what we buy as materials. Then we need to critically review how we buy it in an inflationary situation. If you foresee that the commodity prices are on the verge of rising, you can have a discussion with your internal management and contract those quantities in advance for longer horizons and be ahead of the curve.

“Strengthen your key procurement levers. Challenge the status-quo of “what we buy, how we buy, where you buy from.”

Where we buy from is the last level. In an inflationary situation, there will be a supply and demand imbalance. Therefore, commodities could go out of stock in one country. Where you buy from needs to be reviewed. Developing multi origin supplies is another key aspect we should do as procurement business partners. Localization is one of the best options to avoid the impact of exchange rate problems. However, if common inflation is there in the country, maintaining visibility to stakeholders and making wise decisions in procurement may help to create a competitive edge against your competition and be ahead of the curve.

Q Nestle has always been responsible for the employees and stakeholders. What are the risk management procedures, emergencies, and contingency plans established in the company to ensure the safety of the company and the stakeholders?

Nestle gives first priority to safety. Safety is the number one agenda item in any of our meetings. Thereafter, we practice and follow the safety guidelines issued for COVID-19 pandemic. When introducing these safety

measures to the employees and suppliers, they are educated about the rationale and purpose behind those measures. Our own employees and our suppliers' employees are equal (same) for us. We have issued quick reference guides, as well as detailed plans about how the training on safety should be done at suppliers' manufacturing and office premises. Safety training is mandatory for those who are joining new to the labor cadre. As a result, we have been able to build up a safer working environment without disrupting our production.

Q Nestle has launched the “Nestle Needs Youth” Programme to help young people to become more employable with skills and knowledge to succeed in virtual workplaces. In your opinion and experience, what skills are required from the fresh graduates to sustain in the industry in this next normal environment?

There are 5 important elements. The first is leadership skills as it will take you to the next level and it is a must in the next normal environment. If you always become a follower, then you have to take guidance and you will not take decisions on your own. The second element is, you need to have a clear idea about the new technology in the industry. The third element is effective communication and emotional intelligence. We should be creative in our communication, and we should be able to influence stakeholders with integrity. The fourth element is that young professionals should always try to hunt for knowledge by externalizing themselves. Knowledge is power and it does not come for free. The last element is connecting the dots; how you connect each of these elements to develop a clear strategy for the company is very much important. You should possess the agility and the flexibility to act accordingly to the situation because today's situation will be totally different from tomorrow's.



RESILIENT SUPPLY CHAINS AND MODIFICATIONS TO TRADITIONAL SUPPLY CHAINS IN THE NEXT NORMAL

ISHANKA AMBEPITIYA

Undergraduate
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The term 'Supply Chain' can be defined as a network that connects an organization and its suppliers to produce and distribute a certain product or service. In the modern competitive world, the Supply Chain is becoming increasingly important as it is associated with business cost-incurred operations. Hence, it is essential to establish customer loyalty while maintaining process quality and reducing the cost in order to produce and distribute the product.

Before 2019, the global Supply Chain was functioning smoothly, but with the COVID-19 pandemic, numerous issues surfaced in the Supply Chain. Product and service delays, and temporal shutdowns were some of the disruptions that occurred with the several lockdowns. The pandemic has emerged as the most powerful hazard to the economic

system in 2020, with significant losses. Figure 1 depicts the results of a survey conducted by Ernst & Young LLP (EY US) in late 2020, which revealed that the pandemic had a 72% negative impact on companies, while 11% had a positive impact.

Over 96% of global enterprises are currently planning to strengthen the resilience of industrial manufacturing supply networks. But, more than half of those polled (52%) said they have yet to embark on that path. Over 59% of organizations feel geographic diversification of their supply chains is the most effective means of strengthening resilience when they construct long-term goals.

The evolutionary phase emerged with the COVID-19 crisis, causing irreversible modifications in the global socio-economic system and the numerous actors at all levels.

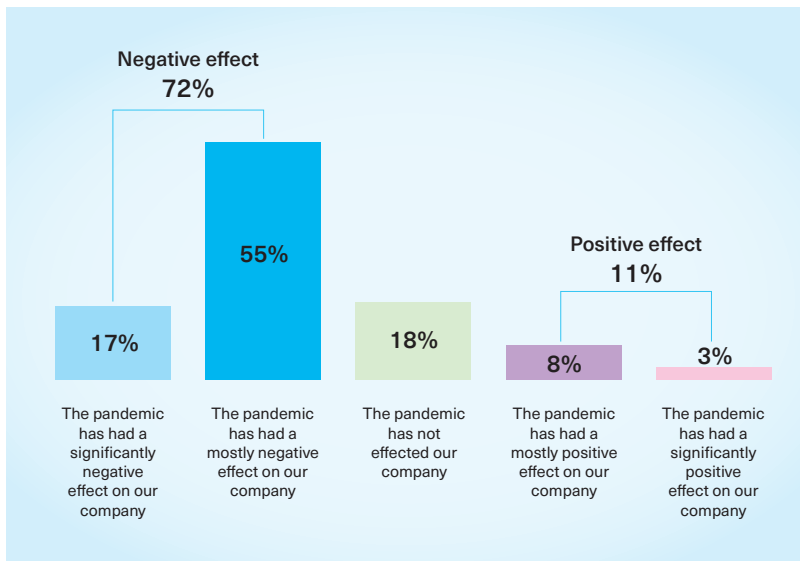
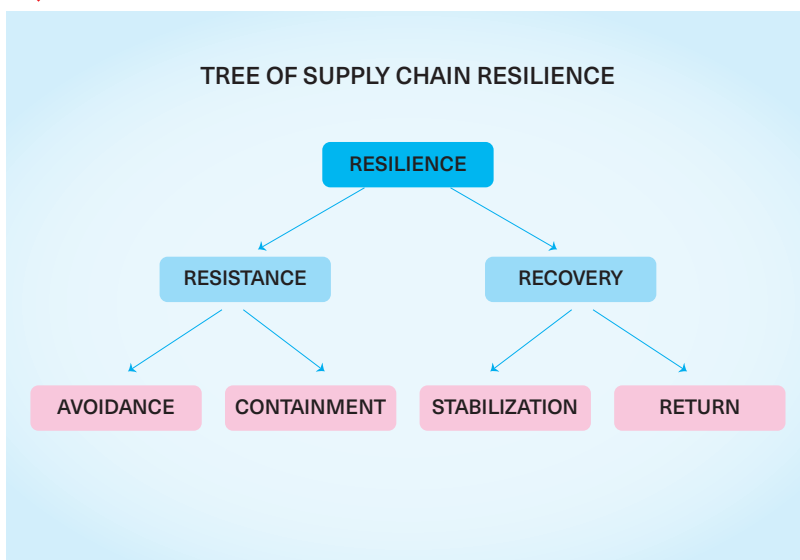


Figure 1: Negative and positive impact due to COVID-19
Source: EY (2021)

After reviewing the data, it is clear that to enhance the supply chain and prepare for the next normal, the supply chain's resilience components must be addressed.

Figure 2: Tree of Supply Chain Resilience
Source: Michigan State University (2015)

What is Supply Chain resilience? In 'Supply Chain 24/7', a group of top academics defined Supply Chain resilience as "the ability of a supply chain to resist disruptions and recover operational capability after disruptions occur". The supply chain resilience model includes two components of resistance and recovery. 'Resistance' refers to the ability to limit the disturbance in the supply network, whereas 'Recovery' refers to the ability to resume entire operations after a disruption



occurred in the supply network. As depicted in the figure, the 'Resistance' phase consists of avoidance and containment, while the 'Recovery' phase consists of stabilization and return. Investing in the resilience of the supply chain can result, in reacting rapidly and recovering from disruptions associated with high cost. This model must be fitted to the organization's specific supply network requirements as well as the available budget. The Global Supply Chain Resiliency Council stated that: "Supply chain resiliency starts with end-to-end supply chain visibility and includes comprehensive strategies and analytic technology to sense and manage risks proactively in a highly responsive manner. These risks range from intrinsic supply chain partner risks as well as embedded network design-related risks". Hence, we can state that establishing a strategic resilience model can be difficult due to cultural and technological factors. Furthermore, it is important to emphasize that developing a strategic resilience model cannot be accomplished by a single party alone. Thus, it should involve strong leadership from clients and developers in coordination with supply chains.

Many industry experts have used the resilience model to manage their supply chains. One example from the business context is how Arcadis designed resilient supply chains for economic issues in the Next Normal. Arcadis is the world's largest provider of sustainable design, engineering, and consulting services for natural and built assets. They have outlined eight key actions in three areas: security, recovery, and preparation for the post-COVID-19 environment, as well as planning for a resilient future. Their eight critical steps are shown in the figure below.

As illustrated in the figure, the Arcadis resilience model includes the two fundamental components, resistance and recovery, as well as the essential subcomponents while ensuring the mitigation of operational issues. According to Arcadis, these are not steps that can be taken by a single party separately; instead, it requires strong, proactive leadership from clients and developers who collaborate with the supply chains.

However, the interesting fact is that resistance and recovery are inadequate to guarantee survival in the corporate world. According to the Volatility, Uncertainty, Complexity, and Ambiguity (VUCA) framework, which was developed in 1987, it is helpful to mitigate risks of general events and situations in the business world. VUCA encourages you to avoid typical, outdated practices in management, leadership, and day-to-day operations. In the VUCA environment, we strive to forecast and plan ahead of time.

It is important to discuss the changes to the traditional supply chain in the next normal. According to the industrial evidence, it is clear that industries tend to continue their operations in a technologically driven manner. Ernst & Young LLP (EY US) and 3D Hubs released two reports in 2020, highlighting the industries' approach toward the technologically driven supply chain in the future. The results are further explained below.

The survey, conducted in 2020 by Ernst & Young LLP (EY US), included over 200 senior-level supply chain leaders from organizations across several industries (including consumer products, retail, biomedical, industrial products, automotive, and high-tech companies in the United States), and discovered that organizations in the United States intend to upend their supply chain strategies to be more resilient, collaborative, and interconnected with customers, suppliers, and other stakeholders. To accomplish this, they will expand investment in supply chain technologies such as artificial intelligence and robotics while retraining employees.

According to the 2020 Supply Chain Resilience report released by 3D Hubs (based on a survey of 1,281 professionals, its own database of 36,000+ organizations, and 240 worldwide manufacturing partners), the COVID-19 pandemic caused significant inconsistencies in manufacturing supply and demand. Furthermore, 60% of businesses disclosed that the pandemic had interrupted their industrial supply networks. Moreover indicated that more than 96% considered taking actions to avoid future



supply disruptions, but just 52% actually did so. Most significantly, corporations are looking forward to autonomy-oriented manufacturing to build resilience, and for that, they are investing in automation and becoming more transparent across their supply network.

Hence, it can be affirmed that, while the supply chain evolved considerably in the previous few decades to being technologically driven, particularly with the impact of COVID-19, there has been a growing awareness of the vulnerability of traditional supply chain management approaches.

As a result, it is essential to state that industries, enterprises, and stakeholders must learn from the pandemic, identify appropriate solutions, and make efforts to reduce and prevent future challenges. Businesses need to create resilient supply chain models to withstand the economic challenges. However, it is necessary to incorporate the VUCA framework when building a resilient supply chain model. Furthermore, the local business sector must consider digitizing their supply networks to go for technology-driven chains while moving to the concept of green in order to benefit the environment.


Figure 3: Supply Chain Resilience: Arcadis 8 key steps
Source: Arcadis (2021)

“LOGISTICS IS ONE OF THE BIGGEST INDUSTRIES WHICH GENERATES PROFIT FROM THE DIGITAL REVOLUTION.”

Ms. Gayathri Karunanayake Supply Chain Consultant - Logicare (Pvt) Ltd

Interviewed by: Ayodya Edirisinghe, Thisuri Yahampath

Photographed by: Mihin Pieris

Transcribed by: Ayodya Edirisinghe, Thisuri Yahampath

Q Can you give us a brief introduction about yourself? Who is Gayathri Karunanayake? As the Supply Chain Consultant of Logicare, how would you describe your journey so far?

Attaining a Bachelor of Science in Engineering from Bangalore University, India, and a Master's in Business Administration from the University of Colombo, I coincidentally ended up in the field of Logistics and Supply Chain. Taking a glance into my schooling period at Musaeus College, I ponder about my deep passion for sports and taking part in zonal and national Athletic and Hockey games for many years. Furthermore, as a committed hockey player, I also represented school Zonal & National teams, thus exerting my love for sports to the fullest with no regrets left behind.

I started my career as a Management Trainee in 2006, in a food processing company, where I volunteered to manage the entire supply chain operations from Procurement, Packing, to Logistics. It was only then that I got to know Logistics as a subject, and finally, I ended up as a logistician in that company. I began my journey as a professional logistician when I joined Unilever in 2009. I was empowered to lead and head many teams in Unilever Sri Lanka and to apply my skills and knowledge to transform the logistic strategy at Unilever's to halve the distribution cost and carbon footprint within a span of three

years. I could outshine during my time there and was considered a high performer and received the most distinguished rating for three consecutive years, that I was proud of. I was inspired by Gayani de Alwis (the first female Director for Supply Chain in Unilever) to join the Chartered Institute of Logistics and Transport, then Woman forum of CILT SL, Women in Logistics and Transport Sri Lanka (WiLAT) in which I became the founding treasurer in 2013 and became Chairperson in 2019.

Having worked at Unilever for nearly a decade in the Logistics and Customer Service departments, I accepted a role as the head of 3PL and Contract Warehousing in a leading 3PL. I realized that this is the best opportunity for me to learn 3PL although I had to set up the systems and processors from the scratch, it was a steppingstone in my career, and I learned a lot since I was always on the client's side of the table. I was there for one and a half years before moving to Bangladesh and Hong Kong for a couple of years to start my consultancy career. Since 2020 up until now, I have been working at Logicare as a Consultant, Heading Operational Excellence including strategic planning and all aspects of Projects and Transformations and improving business process and culture. I would say that my most successful journey was at WiLAT as I was the youngest Chairperson and the current youngest Global Vice Chairperson leading



South Asia Region. Women in Logistics and Transport, the Women's Forum of Chartered Institute of Logistics and Transport, a global body focused on providing women with career opportunities and advancement within the Supply Chain and Logistic sector. Throughout my journey at WiLAT & CILT, I got actively involved in creating awareness and career opportunities in the industry and in providing training, mentoring opportunities and to make a positive impact in the Logistics and Supply chain industry as a female trailblazer. Due to having just less percentage of female representation in the logistic industry, WiLAT aims to bridge the gap. I am a Council Member and a Chartered Member of the Chartered Institute of Logistics and Transport, Sri Lanka, a leading professional body for everyone who works in the Supply

Chain, Logistics and transportation. Having embarked on a century of global excellence in 2019, CILT holds a worldwide recognized membership status. I should say that at CILT, they help connect, educate, and train all levels and sectors. Seeing much potential in nurturing innovation, improving productivity, and enhancing the domestic and exporting environment for the Supply Chain and Logistics.

❏ How did Logicare continue to stand together in tackling the Covid 19 pandemic? What were the main lessons learned and what kind of new strategies and approaches did your company implement to stand against the situation?

COVID is quite a difficult situation to manage because it spreads through contact. Managing employees while maintaining health guidelines is incredibly challenging. Wearing the mask while at work is already physically challenging, and when doing a Logistics job, it is even more strenuous. We had to turn employees off from the gate every day when they check in sick, and it was a major problem. We have had to manage the canteen facilities with 4 to 5 shifts. Most of the companies we worked for stocked up and bought a lot of stocks due to forward buying. Since we had to provide our services without any failure, we hired contractors as we could not have permanent staff. Apart from that, there were issues in terms of resources, relating to vehicles, and procuring was extremely hard as there were not enough people to drive the trucks.

In terms of strategies, we did numerous productivity improvements. We have a

paperless environment in Logicare, and it has really boosted people's morale. Even the machine operators are effective since they do not carry any papers; they just scan and put them into the locations. In addition, we implemented operational strategies such as shift-based work and it allowed us to reduce the turnaround time of products.

Q Logicare covers a dynamic range of Logistics support needed for the organization including warehousing, transporting, and value-added services. During the lockdown period with travel restrictions in the country, how did your company manage to deliver your service to customers?

Prior to the pandemic, we used to transport in vans which transported around ten each, but we had to reduce the number to five per van. The challenge was that if one was evaluated positive, we had to let everyone in the vehicle be quarantined. Wearing the PPE kit was also challenging not only for our employees but also for the visitors. We had to ask the staff to bring their own cups and cutlery from home due to COVID-19 regulations. While working from home helped to reduce the burden of transportation for the management staff, only the staff involved in operations were asked to report to work. I believe, working from home is productive as no time is wasted on the job. However, the staff was required to come for loading and unloading operations. Despite the escalating costs, we had to go for the shift system.

Q Logicare has a unique world-class tier 1 Warehouse Management System, called 'High Jump', that enables to manage the end-to-end Supply Chain requirements. Can you explain that and the advantages of having such an advanced system?

The 'High Jump' system is one of a highly rated WMS in the world. In fact, it has been rated in Gartner dashboard as 2nd best WMS in the world. The difference between High Jump and other WMS systems is that HighJump is far easier and more compatible to be integrated with any ERP systems in the world. It also facilitates the operation in many verticals such as mass distribution in BULK,



CS, Loose Units or even Retail capacities. It can manage large portfolios, complex Supply Chain processes and many stock keeping units at equal productivity levels. Large warehouses required WMS since they have many clients; we call them Mega Multiuser Facilities and with those, a system like HighJump is needed as it has complex business activities. Any ERP can be easily integrated without manually uploading anything to the system as the newest technologies are easy to be embedded with HighJump. It has many modules which the other WMSs are not capable of, and one such example is the billing module which has the capacity to bill real time information. The biggest advantage in HighJump is the real time transmission through which you can check the productivity real time, you can see how many cases a worker picked, how many inches a worker managed, and how much was loaded daily. All information is displayed on a dashboard, and from your desk you can manage the operations with this kind of real time visibility obtained from HighJump. There are a couple of dashboards we have implemented in Logicare from which our customers are immensely benefited.

❑ How does LogiNext, the last mile delivery platform, intend to bring out changes in the online shopping experience in the next normal?

We started the Last Mile Delivery business before the outbreak of COVID-19. When we started, we had quite a lot of orders to manage from some of the leading Retailers, Supermarkets out of which the latter was one of the biggest clients as it had a high demand for clothing and accessory items. Statistics says that if you have a bad experience with the person who brings goods to you, you may consider to not reorder. In Logicare we address this issue by having trained people go from door-to-door, to track end-to-end from the time, the parcel is given to the rider and tracking them down until they pass the product to the client. The difficult part in Last Mile Delivery is the tracking until the parcel goes to the end customer. It has many bottlenecks such as resource planning. Apart from that, we have Pick and Pack that involves the fulfillment,

“Manufacturers and Logistics professionals have contributed to create customized solutions, better decision-making transparency, and promising future strategies.”

delivery tracking and lastly managing money because most of the clients accept goods on cash on delivery (COD) basis. Almost 50% of our consumers demand that delivery should happen within the shortest transit time, which is 24 hours. Since it takes about 8 hours to go to Jaffna, customers believe that all deliveries can be made within 24 hours and want us to accept returns. In Sri Lanka, consumers like to, ‘touch and buy’ as they do not have complete trust in online vendors, which is why people prefer COD.

❑ As a professional in the field of Logistics what is your view about the future of Supply Chain Management in Sri Lanka?

In Sri Lanka, there are numerous opportunities for Supply Chain. In terms of digital transformation, there are huge opportunities for small, medium, and large-scale businesses. Now, multinational companies serve the society with many transformations. The advantage of being a multinational company is, when other countries engage in this work, it is automatically adapted by the other regions as well. Unilever implemented WMS in 2010, whereas I learned about SAP implementation in WMS 12 years ago. When it comes to the digital transformation, most companies begin but do not grow and do not explore. As per my experience, most of the companies in Sri Lanka have not even begun digitalizing yet. They have basic ERPs, and still have long way to go. I want to mention that most people think that digital transformation and implementation of systems are impossible, however, the real problem is the lack of knowledge of implementing systems in Sri Lanka mainly driven by their fear and reluctance to change.

Paying attention to the past few years, I noticed a healthy growth and improvement in Logistics and Supply Chain Industry. I see, so many consumer-centric strategies in the companies, which is a good sign. Manufacturers and Logistic professionals have contributed to create customized solutions, better decision-making transparency, and promising future strategies. Looking into the global market, in 2000, the top fifty 3PLs controlled 10% of the industry, the percentage steadily increased to 50% in 2012 and 70% as at today, and I see the Logistics and Supply Chain industry continues to the consulate at an ever-increasing rate. However, while the future seems bright in the industry, there is a need for speedy technology implementation within the nation as the “Logistics” is one of the biggest industries so far which generates profit from the digital revolution.

“Logicare has long-term expansion plans. We currently have many technological improvements done inhouse that can be sold to the clients.”

Q In your opinion, why is it necessary to improve infrastructure in Sri Lanka to aid in the field of Logistics?

We need to come out of the ‘store’ mentality to the ‘warehouse’ mentality when it comes to warehousing because there is a misunderstanding among people that Logistics is limited to only the loading and unloading of cargo. However, Logistics has a wider scope which includes technical and even engineering knowledge. When it comes to infrastructure, the capital cost is high, and it would take at least 3 years to come to the break-even point with the provided controlled, efficient, operating cost structure. Although it may seem hard, you will benefit if you invest in infrastructure. People think that there will be an initial cost when they engage in these transitions. In fact, as a company, it is exceedingly difficult to convince a new client to come to our facility as it will go a little above their

cost in the first two or three years, but after the 3rd year, you will maximize your profits. Therefore, process improvement is important for any organization.

Q Is it economically efficient for Logicare to try to meet each customer’s needs personally while pursuing big profits?

In most complex processes, customization is costly. For example, if we take our WMS, we must do numerous configuration changes to serve the customer requirements. Those configuration changes cost us indeed, but at Logicare, we go to the clients along with technological solutions. Therefore, the client does not need to invest in those technologies; instead, they can hire the technology from us. We have already built-in those customized solutions and capabilities in our systems and we are ready to share that expertise with our clients without charging any additional cost. This requirement of clients is very demanding and if you have ready-made solutions for them, that is where all the 3PLs must aim for in the future.

Q How do you see Logicare in the next five years, especially with the latest advanced technology and digitization in the Supply Chain, while coping in the next normal environment? What are the long-term plans?

Logicare has long-term expansion plans. We currently have many technological improvements done inhouse that can be sold to the clients. We are specializing in developing solutions and Data Analysis. I believe that transparency and data will play a major role in the future. Hence, Logicare is already prepared to provide any sort of clients’ needs in the next five to ten years, simply because, as a company, we have a strategic plan, and we seek to keep working on it. Logicare aspires to invest their expertise in developing and clearly articulating the vision of Logistics in support of overall Supply Chain and to build firm foundational steps in defining optimum future-ready long term Logistics strategies to transform organizations good to great.



CARE

“ We care about every worker in our worldwide supply chain. What we will not do and never have done is, stand still or turn a blind eye to problems in our supply chain.”

*Tim Cook, CEO of Apple,
and Supply Chain Expert*



**“QUALITY IS NON-NEGOTIABLE
IN PHARMACEUTICALS.”**

Mr. Dinesh Athapaththu Managing Director - Morison Limited

Interviewed by: Lihini Senevirathne, Thisuri Yahampath
Transcribed by: Lihini Senevirathne, Thisuri Yahampath
Photographed by: Sheshan Premalal

Q Who is Dinesh Athapaththu? Tell us about the aspirations behind your success.

By profession, I'm an Accountant. I graduated from the University of Kelaniya with a degree in Physical Science. In the meantime, I followed CIMA (UK) and started my career as an accountant. I mark the inception of my career at Brandix in 2004. When I joined Brandix, I was under the impression that I possessed sufficient qualifications to do well in the corporate world, but it is only at work you realize you have to set aside your degrees and start

understanding real business. Afterwards, I moved to Good Hope of Asia Holdings with over 100,000 hectares of palm oil plantations in Indonesia, and I assumed duties as a Financial Controller and was then promoted to a Regional Controller.

Having gained experience there, in 2016 I returned to Colombo and decided to join Morison. Although my background was finance, I have always been an operational finance person, not a hardcore accountant. What I gathered about Morison was that it was a long-standing company in Sri Lanka

that was acquired by Hemas in 2013. It was a place that promoted change – the perfect place for me to grow and groom in my career. In 2019, I was appointed as the Chief Operating Officer, and in 2021 April I became the Managing Director at Morison. What inspires me the most about Morison is that it enables me to make a difference in the lives of our fellow Sri Lankans, creating a lot of room to give back to the society, which makes me want to wake up and come to work every day.

Q As the largest oral solid dosage pharmaceutical manufacturer in Sri Lanka, how does your company manage to keep a stable market for such a long time amongst other competitive companies in this field?

At the beginning, Morison was more of a trading company. Within the last 4 to 5 years, we transformed to a healthcare company divesting unrelated product portfolios from agriculture, to food, to cosmetics and many more.

Coming back to your question, yes, we are the largest oral solid dosage (OSD) and oral liquid dosage (OLD) pharmaceutical manufacturer in the country in terms of volume, but we are a fraction of the overall market. In Sri Lanka, the total pharmaceutical market is 130 billion Sri Lankan rupees and out of that, over 85% is imported. Out of the locally manufactured 15%, we are one of the largest companies, but that doesn't mean that we are the largest pharmaceutical company in the country. The pharmaceutical manufacturing industry in the country hasn't grown in such a way that we really could compete. If you take the total Sri Lankan pharmaceutical market, since we have a free government healthcare system, 40% of pharmaceuticals are dispensed through government hospitals, and the remaining 60% is dispensed by pharmacies which we call the private market. In this private market, only 5% is manufactured in Sri Lanka. Therefore, for us, the real challenge is to compete with the imported brands, and build trust in locally manufactured pharma brands, reducing the dependency on imports, which is

more critical than ever under the current economic conditions.

Q Quality assurance is essential in the production of pharmaceuticals. Being the 1st OSD/OLD pharma facility built as per EU-GMP (European Union Good Manufacturing Practices) specifications in Sri Lanka, how do you maintain the quality of your products?

Quality is non-negotiable in pharmaceuticals, and the industry is highly regulated to maintain the quality of products. If there are any adverse effects due to your products, you cannot remain in the industry. I said Sri Lanka manufactures only 5% of the private market, what is the reason for this? One of the key reasons is, for us the customer is medical professionals. In other words, when you go to a chemist, they need to dispense a product prescribed by a doctor. For doctors to prescribe locally manufactured products we need to gain their trust. That's where EU GMP quality compliance comes in. Globally, there are EU GMP, UKMHRA, USFDA, and PICCS as the recognized international pharma accreditation bodies. The world accepts the quality of your products if you are accredited as per one of these standards, assuring that your processes are robust, and as such your products going out of quality is remote.

Therefore, in our new plant at Homagama, our quality management systems comply to EU GMP guidelines, which of course is very new to Sri Lanka. In terms of EU compliance, it has many aspects such as the quality of your material, how you process your material, quality tests conducted and quality parameters monitored, maintenance of the right environmental conditions etc. We are 100% compliant and that is the competitive edge we look forward to establishing, despite the cost escalation such systems invariably create.

Q What is your potential to compete with other global pharmaceutical companies to export your products, and what are the initiatives your company has taken to bring in export revenue?



“We believe this is the best opportunity for local manufacturers like us to come forward and manufacture pharmaceuticals at quality levels equal to international standards and offer them to Sri Lankans at more affordable prices.”

This is a highly regulated industry. When introducing a new product, we need to do R&D batches, optimization batches and then, process validation batches. Thereafter, we check the product’s stability by placing the product under extreme environmental conditions throughout a designated time frame, to check whether the product remains in the same quality level. Then only can we apply for registration, as we need to be absolutely cautious. As such, before launching any product, it takes close to two years for the product development process. In addition, for exports, ideally, we first need accreditation from an international body, and our plants and products need

to be registered in the exporting country, and after developing a product, it first needs to be established in the local market, before applying for export product registration.

We have invested over LKR 4 Bn to build our new manufacturing plant, which is the highest investment in the Sri Lankan pharma manufacturing industry thus far. Now, we are investing in quality management systems and getting our teams trained to face international audits, to be eligible for registration to commence exports within the next 2 to 3 years.

Q You are focused on providing high-quality, affordable medicine for all Sri Lankans. How does the current dollar crisis in Sri Lanka affect this concern?

The scarcity of dollars is making a huge impact, as all raw material and certain packing material is fully imported in Sri Lanka. This has not only made material availability difficult but has also severely impacted our cost base.

However, this is certainly not the time to shy away, hide or blame the circumstances.



In fact, we believe this is the best opportunity for local manufacturers like us to come forward and manufacture pharmaceuticals at quality levels equal to international standards and offer them to Sri Lankans at more affordable prices, winning the trust of the nation and saving much needed foreign exchange. We assure to be a beacon of hope for the country in terms of pharmaceuticals during these tough times, by building strong brands that people can trust, and deliver our purpose of “Making Premium Healthcare Affordable”. Economic conditions will be tough, but we are determined to aspire for long term growth.

Q Morison reported a strong growing revenue with an increased production volume despite the pandemic. How did Morison maintain the organizational resilience amidst these conditions?

We need to have people to make everything work. With the outbreak of the pandemic, the first thing we ensured was the safety of our team. As a result, we were very careful with our protocols. We implemented strategies to bring factory employees safely to the factory, to make their working environment safe, to send them back home, to educate them on

how to spend time at home stress-free and to declare any concerns – all of which were quite fruitful. Therefore, as you said we were resilient, and our objective was to enable a smooth and consistent operation during the pandemic, to ensure our commitments are delivered and the market is adequately supplied.

Q What are your strategies to make Morison, a company that stands out in the pharma industry in Sri Lanka?

Our prime focus is to build a strong and credible pharmaceutical brand in Sri Lanka. We are a truly Sri Lankan company, that has the space and capacity to build that brand through a “market differentiation” approach. It is important that we build a basket of brands, and our preliminary focus is on diabetics, cardio, and vitamins. Our new state of the art manufacturing plant with advanced R&D capabilities, can facilitate introduction of such new molecules manufactured as per international standards, at quite affordable prices.

We have already embarked on this journey by launching Empagliflozin, an advanced next generation Diabetic molecule, which seems to be having sound traction in the market. Many more novel molecules are further lined up. In addition, we need to have the right team to put these into practices by winning the trust of our key stakeholders, and ensuring the medical fraternity is well aware of the Morison brand. Therefore, we have focused training programs and strategies to develop a medical marketing team that takes an ethical promotional approach with a sound scientific knowledge.

Further, we are a part of Hemas, which has strong relationships with some of the global pharmaceutical companies. We are currently working with some of these pharma giants to come and manufacture their products in Sri Lanka through contract manufacturing arrangements with Morison. That way, we can further learn how these international companies maintain their standards, which in turn could expand our export basket as well.

An aerial photograph of a port. On the left, a large cargo ship is docked at a pier, with its deck visible. The water is a deep green. To the right of the ship is a vast container yard filled with stacks of blue and red shipping containers. Several yellow and blue cranes are positioned throughout the yard, and a few trucks are visible. The overall scene is one of active industrial operations.

NATURE

ATURE

“ Supply Chain is like nature; it is all around us. ”

Dave Waters

STATE-OF-THE-ART CONCEPTS FOR RESILIENT SUPPLY CHAINS IN THE NEXT NORMAL

RANSUNI THILOTHMA

Undergraduate
General Sir John Kotelawala Defence University,
Ratmalana



Supply Chains in a Nutshell:

Supply chains are virtually everywhere, making the globe tight-knit, even though ordinary eyes do not see them whilst nobody could opt out. The reality is, that we are a participant in multiple Supply Chains. For example, we can envisage the global network of Supply Chains to the Blood Circulatory system of the human body, which 'Supplies' the needs of each 'Consumer' cell, and at the same time, returns 'unusable' blood back to the 'Factory' for 'Repairs'. The entire 'Chain' of processes is precisely timed, coordinated, and protected against external hindrances to ensure life goes smoothly. However, when the body undergoes an unexpected attack intimidating the smooth operation of the 'Chain', the key to survival is its resiliency to recover back to normal. Nevertheless, an unprecedented outbreak would typically prevent returning to 'Normal'; instead, we will have to settle for a 'New Normal' with some constraints in place.

This article discusses the importance of having persistent Supply Chains which can mitigate the malevolent effects of the COVID-19 global pandemic and alike, especially in the post-pandemic era where 'Normal' is redefined as 'Next-Normal'.

Economic Challenges in the 'Next-Normal':

The 'Normal' we used to experience before the COVID-19 Pandemic hit the planet is buried under the memories of people across the globe, almost without trace. The sudden loss of millions of jobs worldwide backed by prevented access to goods and services due to the lockdown of cities and countries forcefully disrupted peoples' lifestyles. This resulted in a rapid drop in the demand even for consumables, which in turn boomeranged back to people because manufacturers had no option but to shut down or drastically reduce operations, threatening not only consumers but also

employees and suppliers as well. However, settling down to possible normalcy is an absolute necessity for building up a healthy economy, despite it being a huge challenge at the same time.

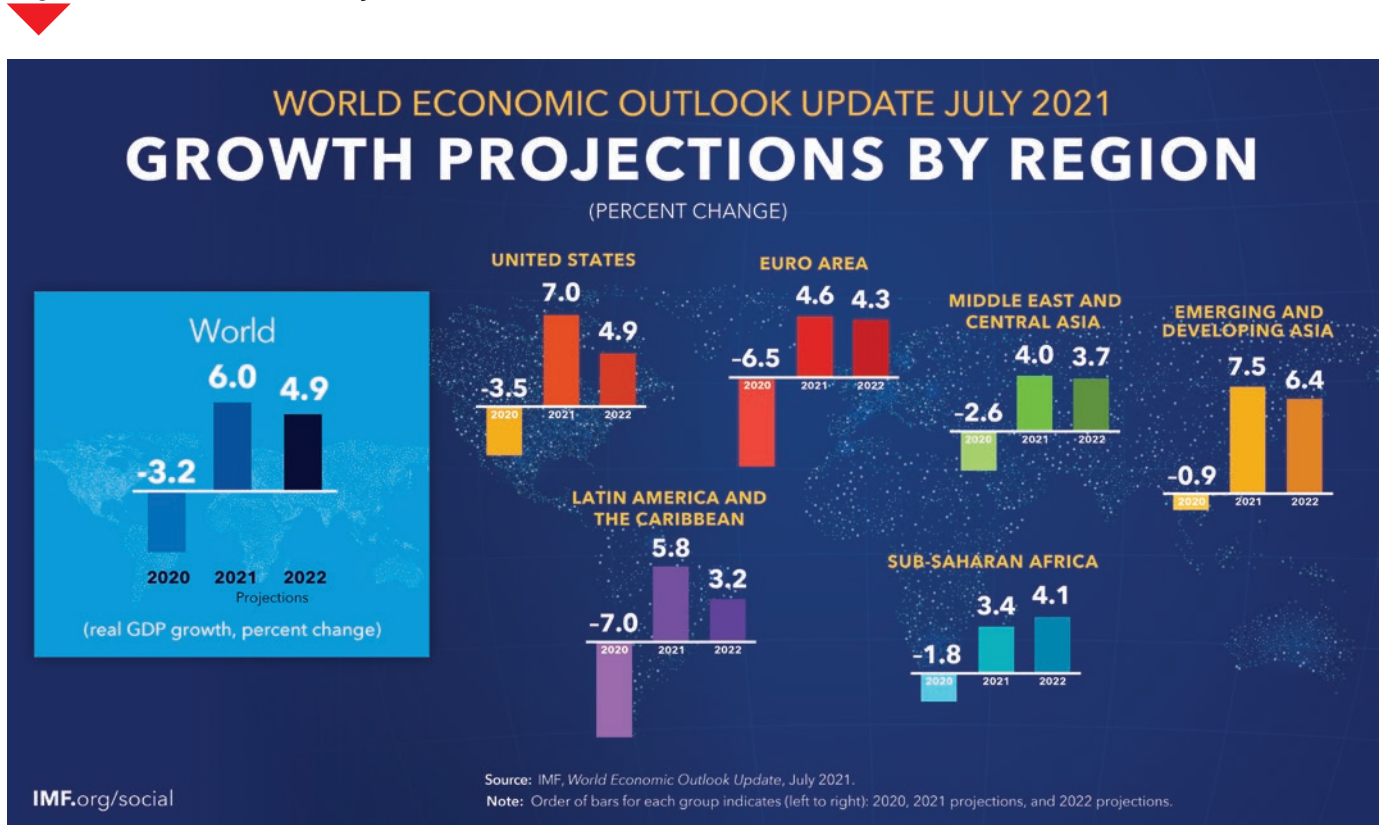
The second challenge is founding an affordable and reliable Delivery Network, which was immensely disordered during the pandemic. This added threat almost abolished the supply chains on a global scale, hitting hard on the entire system of supplies, even essential life-saving items. Turning back is never easy under new constraints like sky-rocketing fuel prices and even some well-known container shipping companies that went bankrupt due to a steep drop in cash flow upon vanishing demand. It is truly a challenging task to find an innovative approach towards establishing a feasible Delivery Network back on track for the emerging economies in the 'Next-Normal'.

Thirdly, cross-border restrictions imposed in view of curtailing the spread of COVID-19 fell the operation of Supply Chains head-over-heels because restricted movements literally mean freeze-to-death circumstances

for such dynamic systems. This essentially affected the entire chain back and forth, letting every stakeholder down and nearly helpless. Keeping the system back on foot needs out-of-the-box thinking to devise robust Supply Chains to supply lifeblood to the 'Next-Normal' economies.

Finally, while the layered structure of Supply Chains helps greatly as an efficient means of itemized analyzing the entire system, this very nature would sometimes lead to adversities due to unpredictable outbursts of events like the one we went through the recent past. Multilayered outsourcing of expertise and supplies due to their diversified nature and economic availability, is a widely accepted norm to optimize the cost of the deliveries and to ensure improved operational efficiency. But at the same time, loss of touching connectivity between layers enforced by unavoidable situations certainly jeopardizes the Supply Chains to an unimaginable extent. On these grounds, Critical thinking is crucial to the invention of buoyant Supply Chains to keep the world economy rolling in the 'Next-Normal'.

Figure 1: World GDP Growth Projection by Region (2021-2023)



Source: International Monetary Fund (IMF)

Resiliency is the key to the 'Next-Normal':

Resiliency is the mantra that should continually be echoed in formulating resilient Supply Chains to overcome vulnerabilities towards recovering international trade. As per the GDP Growth Projections by Region published by the International Monetary Fund (IMF) shown in Figure-1 above, economies in Emerging and Developing Asia are expected to grow at a rate of 5.8% in 2023 against the world average of 3.8%. This indicates that Sri Lanka, has a huge potential to strengthen its economy by correctly manipulating the open economic policies on international trade.

The first and foremost factor in the evolution of Resilient Supply Chains is the ability to foresee almost unforeseeable risks. For example, melting glaciers in the polar regions due to global warming could cause havoc at the least expected time. A sudden rise in sea level could endanger millions of lives around the globe in no time. The resulting unsecured state of mind would lead to an immense drop in spending, triggering a steep drop in demand for supplies except for the bare minimum. The effect of global warming would be two-fold on Supply Chains. It is because reducing the density of seawater due to rising temperature would be disastrous for shipping in a way we never have even imagined and could collapse the marine transportation system in the blink of an eye.

This type of foreseeing the literally unforeseeable could be achieved with the help of Cutting-Edge technologies like Artificial Intelligence, Big Data, and Machine Learning, which should come together with human think tanks to accomplish sizable solutions. Understanding the power of pioneering technologies is vital and is no longer an out-of-scope topic even for non-technical managers.

Secondly, developing appropriate response strategies to any identified risks is also of utmost importance to mitigate them prior to their actual occurrence. Letting machines learn from human inputs and their

“A fair mix of state-of-the-art technologies and still-unbeatable human brains could do wonders that we never have imagined before to keep the world up and running in the ‘Next-Normal’.”

own experience can produce remarkable outcomes helping mankind to achieve new heights. For instance, the effects of the rising temperature of seawater due to global warming on marine transportation could be simulated in a Virtual Reality environment to come up with ready-made solutions, should the need arise. The same VR technology could be used to simulate the low-density seawater with raised temperature environment to speed up the design of new vehicles in view of restoring the marine transportation network at the earliest possible.

In conclusion, a fair mix of state-of-the-art technologies and still-unbeatable human brains could do wonders that we never have imagined before to keep the world up and running in the 'Next-Normal', thanks to innovative and highly resilient Supply Chains wrapping around the entire globe. Foreseeing the unforeseeable risks comes first, followed by equally important response strategies, which could precisely be evolved in the hands of AI, Big Data Analytics, Machine Learning, and VR. A hybrid approach towards fulfilling supplies would further strengthen the resiliency of the Supply Chains. It should also be noted that the absence of reasonable distribution of resources will lead to humanitarian crises because fast exploitation of the resources by a few will endanger the entire ecosystem on the planet. All-in-all, resilient Supply Chains will be the way forward in the 'Next-Normal' for the citizens of the global village to enjoy equal rights and save the planet for generations to come!



“20CUBE IS A GLOBAL 21ST CENTURY TECHNOLOGY-ENABLED LOGISTICS COMPANY WITH DEEP EXPERTISE & CAPABILITY.”

Mr. Kalum Amarasekera

Chief Executive Officer/Director - 20Cube Logistics (Pvt.) Ltd.

Interviewed by: Udul Kalapuge, Nipun Chandrasekara
Transcribed by: Hirushi Mohotti, Ahinsa Manamperi
Photographed by: Mihin Pieris

Q Who is Kalum Amarasekera and how would you describe yourself and your career progression so far?

Both in my personal and professional life, I believe and live my life based on two key principles “Honesty and Ethics”, which I would never compromise under any circumstances. I also believe that having a Good Team adds to the success and it has been our main focus area. So, in summary,

you can say that I am a people person who values teamwork, ethics, and honesty. I started my career with Hayleys Group as a Clerk at the tender age of 19 and by 32, I was given the responsibility to be at the helm of a global logistics giant “Agility Logistics”, a joint venture company of Hayleys Advantis, since then I have not looked back and reached my career aspirations to my satisfaction.

Q 20 Cube Logistics is a well-known company in the logistics industry in both local and global contexts for providing standardized freight forwarding services. What are the unique business principles implemented in the company to achieve success over the years?

20Cube venture was formed by industry veterans with a proven track record who aspired to build a global network. Our key strategy was to develop a network with a robust ERP system and a network of offices in the most potential geographical locations. The key focus was given to the customer base who were in for the long haul instead of the short term. We are working with a niche and credible clientele, to whom we are able to provide a high level of service consistently and continuously. Our customers have not only supported us in developing a reliable customer base but also recommended 20Cube to other potential industry customers. This has helped us in maintaining a continuous development of our footprint in Sri Lanka. This strategy has proven to be extremely successful in today's volatile context as well.

20Cube is a global 21st-century technology-enabled logistics company with deep expertise and capability in the most dynamic and challenging part of the world, and in emerging markets. As such, we are not held back by archaic legacy systems but rather are able to deploy nimble and personalized technology that provides 24/7 e-visibility thus empowering our customers to stay in complete control of their cargo. Our digital platform helps in reducing total logistics expenses by addressing both visible and invisible costs. Our customer-centric service model is staffed by experienced senior people who are extremely dynamic than traditional logistics providers and find the best solutions for any shipment problems. We are headquartered in Singapore, with an international network in China & Hong Kong, Australia, Asia, USA, and Africa.

Our success heavily depends on some key strategies; being focused on the emerging markets, innovative use of technology, building a customer-centric organization, automating & simplifying processes and investing in our people. 20Cube is an evolving global company with an ambitious

vision and rich local experience. We provide integrated logistics solutions that deliver cargo by sea, air, and multimodal network. Our aim is to be a transformational business leader in the logistics space by adapting to dynamic and technology-driven processes and most importantly by being customer-centric. We, at 20Cube Logistics, speak the same language across the world, the language of reliable and scalable logistic services. The language that exemplifies the spirit of innovation and responsiveness. We are empowering our customers with an ever-growing list of services and solutions. Our clientele span across varied industries such as retail, chemical, lubricants, automotive, industrial, pharmaceutical, and hi-tech.

Q 'MyHubPlus' is a digital smart portal provided by 20Cube Logistics to maintain transparency and end-to-end visibility with customers. How does this digital operational model increase the efficiency of the services and how advantageous is this model in the next normal environment?

“Our aim is to be a transformational business leader in the logistics space by adapting to dynamic and technology-driven processes and most importantly by being customer-centric.”

Our customer portal 'MyHubPlus' enables the customer to get total visibility of their shipments from PO to POD. The system takes the responsibility of the shipment tracking from the start, at the time of placing the PO, up to the factory go-down, allowing the customer to get complete visibility on every step of the way, online 24/7. 'MyHubPlus' eases the pressure on the customer having to sort out the logistics and helps them focus on their core business. This is extremely useful in today's work context as most companies practice working from home. Aligning to the new norm, our team also operates in flexible hours and only 'need to be basis' reports to physical work. Our back-office which is centrally located in India manages the shipment documents round-the-clock

for all the customers across the globe for all 20Cube offices, this allows our team to operate from any location. The option of the 'plug and play' concept is widely available for our team as well as our client base. The 'MyHubPlus' is a collaborative platform that integrates multiple processes, applications, databases, and stakeholders including vendors, shippers, and suppliers into one system, enabling a holistic experience with real-time information. The system monitors the KPI which enables the required track and trace functionality of cargo movements. This is a single platform that provides all shipment-related movement, documents, and invoices with ease and accessibility 24/7 via any device.

Q 20Cube Logistics provides multi-modal freight forwarding services such as air-sea, and sea-air services. What strategies are in practice to provide such services at a low cost of sea freight and

speed of air freight, in a way that fulfills customer requirements?

We don't sell our entire product solutions portfolio. For example, 20Cube Colombo's primary focus is the Import business hence the export business component is very negligent, approximately 10% of our total business. We also refrain from handling areas that we are not specialized in, such as clearance/transport. Our main focus is working on increasing volumes and making the operations cost-efficient. In the import business, our focus is on specific trade lanes with high volumes that provide us a gateway to negotiate better rates, the benefit of which we pass on to our customers. Having said that, as a company, our policy is to sell high-quality services rather than getting into a price war and undercutting. When we develop business with a focus on a high level of customer service, margins can be increased based on the value-added to the customers and their businesses.

Q As a country, do you think that we are in parallel with other countries in terms of the use of ICT, especially in the logistics industry?

This is precisely why 20Cube came into being, as we saw a huge void in this space for implementing properly developed ERP systems. Even if you look at the big-time players who had developed their systems 15-20 years back, today their biggest hurdle is to get these systems upgraded to today's technology. If you do a system upgrade, it's not only a massive operational hurdle but is quite exorbitant. This is where 20Cube helps customers with the most advanced ERP system that caters to that void. In Sri Lanka, even promoting & selling 'MyHubPlus' to the customers has become extremely challenging since it's a new platform. However, in other countries, it has been a key selling tool for us, where the customers see the long-term benefits of implementing a solid ERP solution. Of course, we do see a silver lining, where some of our corporates embrace the system's advantages and gradually shift towards this value.

Q How did 20Cube Logistics survive the disruptions caused by the COVID-19



“When we develop business with a focus on a high level of customer service, margins can be increased based on the value-added to the customers and their businesses.”

pandemic and how do you plan to strengthen the organizational resilience to face such unforeseeable disruptions in the future?

A complete paradigm shift in the operating system has been done at 20Cube. New sales strategies implemented based on the market condition and an overview of the total operating cost have been given the maximum attention. We knew that we would have to start working from home, hence we worked on team motivation strategies. We also had to oversee the performances of the employees and provide the needed training and rewards based on the performance. The schemes were introduced to ensure maximum productivity from the team.

Some of the key initiatives introduced during the pandemic were to reduce the fixed overhead costs to maximum levels and wherever possible to keep the costs at variable segments. These critical steps had given us the ability to continue working profitably and without any disruptions.

Today depreciation of LKR against USD is the biggest hurdle that a lot of companies are facing. Thankfully, the timely steps we took allowed us to stay afloat in business and we are continuing to grow. We partner with the right customers who suit the current economic situation in Sri Lanka. We support them with the right requirements and ensure that we both grow. Customer credibility is something that is of utmost importance and aligning with the right customers/ business partners are some of the key areas which have been critically looked upon.

Strategies need to be changed based on the market conditions. Today around 90% of the workflows are digitized & automated to drive efficiency. This has eliminated wastage and improved the productivity, operational efficiency, and flexibility of remote working even during the complete lockdown. Our focused drive to work with financially stable clients and retain a good team has been our key reason for the positive deliverance during the pandemic.

📌 Currently, Sri Lanka is facing a huge financial crisis where the Sri Lankan

rupee is getting depreciated day by day. How does this affect your company and what are the strategies you have taken to cope with this situation and fulfill the demand on time?

Different concepts are being adopted for different customers to ensure that we as a company don't get affected. We need to ensure that we take the correct decisions with each individual customer by re-evaluating the customer's business model on a regular basis. Anyone who fits into our requirements and our business models, we try to take on board. For the customers who might bring negative results, we continuously work with them to reach an amicable solution suitable to both entities.

📌 Finally, where do you see 20Cube Logistics in the next five years?

We are in the process of listing the company overseas. Our target is to expand our network to 35 countries. As of now, we are globally present in 10 countries. I think within the next five years, with the progress of the company we are confident in achieving that goal. We are very much in line with our target and are exceeding expectations this year itself.

In the global context, each branch is focused on what they are supposed to achieve. As long as that focus is there, even during these uncertain conditions, we will be successful. One thing I firmly believe is, "In perfect conditions, the opportunities you get are less and in difficult conditions the opportunities are high". The company which identifies these opportunities and acts will reap the benefits. We will continue to embrace the benefits of digitalization and ensure compliance with the external factors with our HSE. We are also contributing to society by implementing Go Green and Give Back to the Community initiatives as Social Corporate Citizens. 20Cube Logistics is the proud recipient of the National Logistics Awards–Silver Category (Freight Forwarder -Small). This accolade has proven that our focus is on the right direction: business processes/systems and sales. I would like to add that our biggest asset is our team which is at par with the industry benchmark.



20Cube

20Cube is a global logistics industry, offering freight forwarding, logistics & customs clearance services across the globe. Headquartered in Singapore, 20Cube's global presence is in 10 countries across 55 locations.

With technology at its forefront, 20Cube Logistics offers its customers a digitized platform, 'MyHubPlus', to transit their consignment from origin to final destination with visibility and complete control, whether it's across borders, a domestic or a warehouse movement.

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RESILIENT FOOD SUPPLY CHAINS OF NEPAL DURING COVID-19 PANDEMIC

**ARYA BIKRAM RANA, MAJOR,
NEPALI ARMY**

Postgraduate
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A well-made and well-organized Supply Chain Network (SCN) has a huge impact on the financial development of any nation. The whole world faced a huge, terrific challenge in handling the flow of goods from point of origin to point of consumption, especially during the COVID-19 pandemic. COVID-19 has created a question mark in the effectiveness of the existing food supply chain and gave a room to rethink and redesign the SCN. The continuous supply of food from the farm to fork was a major setback during COVID-19. The diverse landscape of Nepal has created a different/peculiar challenge for the well-organized supply of goods. The supply of food to the wholesale markets dropped by 80%, whereas prices of food increased by 40% during the nationwide first phase of the lockdown in Nepal. The warehouse operations in Nepal are mostly carried out manually. Due to the lockdown,

the manpower movement was at standstill causing storage facilities. Food market in both rural and urban areas in Nepal was highly uneven from farm to fork. Ironically, there were hikes in prices of merchandise in the retail market whereas the prices paid to the farmers also crashed to an extent. Road network is the main resource for the Supply Chain Network in Nepal.

Nepal is a landlocked country sandwiched between India and China. Nepal imports almost 80% of its products from these two countries. Nepal mainly relies on agricultural inputs from these neighboring countries which include the bulky mass of the vegetables, food items, high-value foods, and other products. Nepal has been importing a major quantity of agricultural commodities from India. The cross-border trade has proven to be difficult and risky due to the risk of virus transmission. The

pandemic has made it inconvenient in supply and distribution of goods. Nepal should have been an exporter of fresh fruits as they are bestowed with one of the best climates; however, Nepal imports billions of dollars' worth food and vegetables from India and China. Nepal lacks the availability/required fertilizers, seeds, pesticides for the growth/cultivation of vegetables and fruits/food. Nepal lacks a good infrastructure for proper warehousing and distribution centers in the majority of the cities.

During COVID-19 almost all the domains of the food supply chain were hampered. The travel restrictions imposed made the movement of harvested food to standstill

“The supply of food to the wholesale markets dropped by 80%, whereas prices of food increased by 40% during the nationwide first phase of the lockdown in Nepal.”

which eventually made them rot. The farmers were depressed as they had to throw away the harvested food due to lack of proper storage facilities. There were no backup plans to fight back/retaliate at such an unpredictable situation and the governments also lacked the proper policies to handle such adverse situations to continue the food supply chain. People realized the importance of technology and the establishment of standard warehouse facilities for the storage of food products during an emergency.

ROLES OF VARIOUS STAKEHOLDERS FOR RESILIENT FOOD SUPPLY CHAIN

Governmental role: Government should clearly devise a policy on the categorization of transportation for goods carriers and public transportation to keep the food supply flowing. So, the government should devise a clear policy to improve the emergency outbreak preparedness across the food supply chains. Government should pay

especial emphasis on the smallholders to encourage and enhance their productivity and to market the food they produce in their farms through the use of modern e-commerce technology. During a national emergency like the COVID-19 pandemic the policy for waiving farmer's loan or Moratorium can help to keep the farmers motivated in the continuous production of food. To keep the global trade open, the government should focus on trade and tax policies. Good arrangements of pertinent infrastructure, staffing and delivery capacity should be developed. The government must work together with private societies to avoid disruptions of food supply chains. It should also focus on appropriate speedy technological advances. Keeping this point in view, countries need to devise a financial plan for the post-COVID economic restructuring. In order to keep the production and supply chain work simultaneously in an effective manner, the farmers and the daily workers who rely on wages should be kept as the topmost priority. The cross-border supply and trade to be strengthened by the diplomatic efforts between India and China.

Public role: A community valuing the government's choice, should follow the rules and principles and put themselves under self-isolation, so that they can keep humanity safe. World Trade Organization (WTO) and Food and Agriculture Organization (FAO) have already announced that there isn't going to be a food insufficiency in the near future as these groups are working with their best in manufacturing, supplying, and distributing the basic foods to the most exposed people of the least developed countries. The reshaping of the disrupted supply chains is partially in the hands of the public. They can help to build supply chain resilience by showing proper concern while buying the supplies. They shouldn't panic and be involved in hoarding the food as it creates an imbalance in the market supply. The consumers can shift to the consumption of locally produced foods; product change can help to enhance the supply chain resilience.

Stakeholders role: Stakeholders may identify factors affecting resilience and analyze the



relevant mitigating measures. They also can describe spatial and temporal deliberations like urgent planning and response time frames. First and foremost, the prime work of stakeholders is to define the potential stumbling blocks and gaps such as political boundaries, jurisdictions, rights, rivalry, and connectivity in the market, and social and environmental curbs. The stakeholders must be able to verify the urgent demand of the public and how to meet the demand.

Farmer's role: the farmers should not stop producing food due to critical conditions such as lack of capital, market accessibility, and the paucity of the needed inputs and infrastructures. Though the farmers are not getting the proper markets to sell their products, they can still sell their products in the local areas by localizing the produced goods. They can maintain the same level of income by selling them in their own locality and developing post-harvest technology. If the food is to be transported to a distant market, all the farmers of the community should gather their produce in a common collection center from where that can be distributed to different markets effectively. The assortment center should have a high capacity. They can improve the room facilities to preserve the food from post-harvest losses. The producers can also develop the home-delivery instrument so that the supply of essential food doesn't cut off. Moreover, farmers can also adopt product variation strategies if they can't sell their products.

The normal working environment is totally disrupted by the pandemics which come occasionally. Thus, the policies of Supply Chain Management should be firm enough to encounter the criticalities that lead to global crises such as COVID-19 pandemic. Hence, the government of Nepal should understand the overall concept of Supply Chain Management and synchronize all the activities included in Supply Chain through various means such as ensuring reliable and authentic information flow at different stages of supply chain, creating and maintaining standards for quality checking and assurance, being flexible with the transportation system that would lead to quick and better services, managing risks in various stages of supply chain, supplying food near to the point of consumption, and adopting technology at different farm operations. Finally, the government of Nepal should devise policies on Supply Chain Management on a long term basis for the sustainable development of Nepal.



“INJUSTICE WAS NEVER ALLOWED, AND THE OPERATIONS WERE VERY SMOOTH AND EFFICIENT.”

Major General Hirosha Wanigasekara USP
Master General Ordnance - Army Headquarters

Interviewed by: Hansi Perera, Lihini Senevirathne
Transcribed by: Hansi Perera, Lihini Senevirathne
Photographed by: Nethmi Ariyadasa

Q Tell us about yourself and your successful journey so far in the Sri Lanka Army.

I joined the Army as an officer cadet in 1987, June 20th, and passed out in 1989, December 16th. I was posted to Army Service Co. Basically, I was looking after transport and supply in the Army. By joining that regiment, I have become a logistician. Apart from that, I have completed various non-military programs in the field of logistics and supply chains. The most recent course I have completed is, a Master of Business Administration in Logistics and Supply Chain Management (2018) from ITC University of Technology. I believe hard work, dedication, and integrity are the most important things when working for an organization. In the field of logistics, you can't go wrong because it handles money all the time and the procedures; when you know your procedures, you know how to justify certain things. In order to fulfill the requirements, you need to know how to achieve your aim or the given task. Then, sometimes you might have to bypass certain procedures. But then again you have to come back and cover your tasks or otherwise there will be trouble in certain auditing processes. As an army officer and government servant, carefulness is always required as everything will affect your career. Sometimes, if you are in the wrong place at the wrong time, you may fall into trouble.

Q How do you define military logistics?

Military logistics is the field of moving men and material at the correct time, in correct quantities. That is the basics, but that involves certain other things. In military logistics, we always have a backup plan or a tactical plan. In order to maintain flexibility and successfulness of logistics operations, adequate and trained manpower and properly handled transportation are required. Planning needs to be two steps ahead in logistics as the future is always uncertain. Military logistics is something basically about achieving the tactical layer, giving 100% support, and keeping reserves and materials in front. Therefore, for better achievement, practicing the art of moving men, materials, and resources at the correct time and in correct quantities is highly required.

Q How significant is effective military logistics systems for the operations of the Sri Lankan Army?

To maintain the forces, we need to have logistics. If the forces are not being maintained that means they are going to lose their target or fail in their assigned task. The combination of the forces and logistics must be very firm. If the forces cannot be maintained, the readiness or their tactical "know-how" will go down. An efficient military logistics system is required to maintain forces, even in peacetime or wartime. For example, transportation, providing medical facilities on time, are done through the logistics system. In the army, there is a structure of logistics. The responsibility of logistics is shared among the PSOs, QMGs and myself. Under my command, there are another two directors, Director Electrical and Mechanical Engineers and Director Ordinary Services. Military logistics is one of the key components of military tasks.

“For better achievement, practicing the art of moving men, materials, and resources at the correct time and in correct quantities is highly required.”

Q The National Operation Centre for Prevention of COVID-19 Outbreak (NOCP-CO), headed by General Shavendra Silva, is the central organization that coordinates all the operations related to the prevention of the pandemic. How do you explain the massive contribution of the Sri Lankan Army in pandemic-related operations?

First, I will take you back to the first instance where we found certain Sri Lankan students in Wu Han and the government took the initiative to bring them to the country. Then it was the military who came out and took them to Diyathalawa and kept them quarantined while providing them with all necessary requirements. We accepted the challenge without having any experience with this pandemic. Then when it came to Sri Lanka, the Chief of Defence Staff, and

Commander of the Army, were given the task to head this particular task force. Then first, they went to experts in certain areas, the health sector, IT sector, logistic sector, police, and all other professionals. I headed transport and storage; likewise, everybody was given their own responsibilities. Ultimately, a national plan was created in order to combat COVID-19. First, it was the military who handled the COVID-19 patients, taking them into the quarantine centers, and treating them.

Those days as per the rule, firstly, we had to collect the first contacts, then the second contacts. In a family, if one person got infected with COVID-19, the entire family members were taken in, and they were kept in isolation in order to minimize spreading. Initially, it was the military who contributed in formulating the plan, it was the military who conducted the execution part. Providing meals for the isolated people was

“There should be modernized supply chain systems with more engagement of technology and backup and resilience plans should be prepared and updated all the time.”

also done by the military. We gave our own food; we gave them places to stay; likewise, the military was involved, not only Army, but Navy, and Air Force were also involved, but the brunt was handled by the army.

Q What major challenges occurred when maintaining the civil-military coordination in the above-mentioned operations?

Maintaining civil-military coordination was the first challenge that the army has faced because civilians were unaware of the things happening with the pandemic. They were a little reluctant to work with the military. But the health sector kept on doing their job by giving very good help to the army. The army medical staff was the team that made the link between the

military and the health sector. I was handling the transport and at first, we could not find enough vehicles to transport the people to keep them quarantined. Civil drivers were reluctant to come, then we had to employ army drivers along with army buses, to take them from the airport to quarantine centers. Subsequently, we managed to get buses and drivers but there was a period when people were very reluctant to work.

We helped the civil sector to move their stocks, especially, perishable food items during the lockdown. In those areas, we found certain government officers and people who were reluctant to take action because of the pandemic, as they were scared to come out and help. At the initial stage, we did not have Personal Protection Equipment outfits and face masks in sufficient amounts. After some time, when people saw that army is taking all those protective measurements by wearing the PPE and face masks, they came out without hesitation to provide help and service. There was a time when the support from civilians was highly needed as some infected people were hiding since they were not willing to be quarantined. Then military had to play a big role because people were not coordinating with the military and police.

Q How do you explain the significant role of the Sri Lanka Army in the COVID-19 vaccine distribution and transportation process?

It was coordinated by the military along with the health sector. By the time when we received the vaccines, we were ready for distribution, by having all the required assets to transport them and stored them according to the guidelines which were given. We arranged the vaccination campaigns and we managed to set up the places with the help of government organizations. All our military assets were used to record the information of the vaccination programs, including ID numbers of people, the type of vaccine, etc. since WHO had given a platform for us to enter all these data and everybody who was vaccinated was entered into that worldwide system. We had the support from government officials when we received the vaccines, but it was all controlled by the military though

there were some few problems. Injustice was never allowed, and the operations were very smooth and efficient.

Q How was the efficiency of supply chains managed when distributing the vaccines and sustaining successful vaccination programs covering all nine provinces, especially in rural areas of the country?

We have a deployment in the country covering the entire island and we have seven security forces copes, each of those has three divisions, and each division has about three brigades and each brigade has three or four battalions. We've selected certain places where we want to have the vaccination campaigns. Accordingly, we distributed the vaccines. There were certain people who couldn't come to the centers to get vaccinated due to certain issues like their age or health conditions; therefore, we set up vehicles to go to their doorsteps and vaccinated those people who couldn't come to the vaccination centers. Further, we provided people with a telephone number so they could call and register to get the vaccine for the people who were unable to come to the vaccination centers. We went up to that level and I've not heard of any other country who has put that much effort to combat this pandemic.



Q What are the lessons learned after fighting with COVID-19 for two years? Are there any policy making requirements to improve the safety of the citizens of Sri Lanka in this next normal environment?

In order to face future pandemics, we have a national plan unique to Sri Lanka, which is for the Sri Lankan people. It's something for our society and our system. The first lesson we learned is awareness of the people is necessary in a pandemic. Being ready to face such a situation in the future is important, since now you have a plan, all you need to do is to make some changes only as per the demands of the situation. We need to know how we are going to control the ports and economy of the country, how we are going to stop the spreading of the virus, and also then how are we going to help or treat the people who

got the disease. These things can come in many phases, may be as a biological bomb. As a country, first, we should know how first to control the damage and then to treat the people. As of my knowledge, it is appreciable that we have improved the civil-military coordination and communication for our affiliation with other communities. Other lessons we learnt from this pandemic to logistics field are, there should be modernized supply chain systems with more engagement of technology and backup and resilience plans should be prepared and updated all the time. All these things that we have learned from this pandemic are eye-opening experiences to face the future successfully.

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MANAGING SUPPLY CHAIN DISRUPTIONS TO ENHANCE CUSTOMER EXPERIENCE IN THE NEXT NORMAL

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Transition from brick-and-mortar retailing to e-commerce skyrocketed along with COVID-19 outbreak. Reaching out to customers via online platforms, which used to be a core competency has now become a survival element for organizations in the next normal. In a similar vein, pandemic became a dramatic reminder for entities that the need for supply chain continuity is a crucial factor. Disruption takes place when there is an unplanned pause in the movement of goods

within the supply chain. This would result in supply chain vulnerability, which would expose the consumers to supply chain risks leading to the nightmare of empty shelves. Situation became worse during the past two years, along with several variants and waves heading up time to time causing panic buying behavior.

Focusing on getting down a quality output alone is not adequate, whereas delivering the product to the customer at the right time, at a low cost is essential. Having focused on

supply chain visibility is a timely concern for the organizations specially in the attempt to walk towards next normal in the aftermath of the pandemic. The organization's capacity to follow raw materials from the original supplier through the organization's manufacturing process to end customers is the common understanding across many definitions of supply chain visibility. Ideally, the integration and communication among the various parties involved throughout the supply chain is critical to monitor the status of any order. Knowing such end-to-end status would enable the entities to flag any issues and rectify matters to minimize disruptions.

Maintaining sound relationships through effective communication would lead to customer satisfaction while enabling the entity to identify pain points to resolve them. Under normal conditions, customers do not really care or feel the logistics operations as to how the product reached their hands. However, when the supply chain disruptions take place, customers start to lose confidence. Information obtained through customer service regarding pain points and other expectations can be a learning point to enhance the supply chain efficiency.

In an era where omnichannel marketing has become inevitable, the quality of such

channels also continues to be a top priority. Failure to facilitate user friendly order placing mechanisms to customers will result in e-cart abandoning behaviour. Baymard Institute, in the report published in 2021, stated that average e-cart abandonment rate is 69.82% which is quite a pain point for the e-commerce industry. Since e-commerce is not in a position to build up traditional symbiotic relationship between buyer and seller, it calls for extra efforts in attracting customers via electronic means. This draws attention to the need for enhancing online retail experience extended to customers. Nevertheless, e-commerce and online shopping have been subjected to meteoric rise during the pandemic and even in the new normal conditions, to what extent the firms have restructured their websites or social media pages remain questionable.

Customer touch points should form memorable interactions via online platforms elevating customer experience. E-commerce is no longer confined to computers. Online retail experience received by the customers irrespective of the type of device being used is a vital aspect. Every element on the website should be equally responsive for any device. Slow loading websites and unbroken links would drive away the potential customers. As an example, Gucci is one such world's leading luxury brand that took the initiative



to explore the full potential in creating digital content targeting the needs of millennials and Generation Z. Gucci facilitates the shoppers to experience virtual try-on enabling the customer engagement to the next level via digital platforms.

One of the most critical customer success strategies in an organization is the efficient and responsive supply chain management. In an era where, organizations are resorting to online platforms, conventional customer priorities such as place element out of the 4Ps of marketing may no longer deemed as a priority. Customer anticipations have been subjected to changes where delays in product delivery is an alarming issue. Slow delivery of products placed on the internet might distort the customer satisfaction. Customer expectations have grown to a level where concerns are pushed towards facilitating order conditions, timely communication, speed of delivery and even the quality of delivery. This demands a reliable supply chain and logistics infrastructure. Accordingly, last-mile logistics, being the final leg of supply chain operations has become a key concern to the organizations. Customers develop more brand love and brand trust towards the organizations that deliver the best online retail experience along with lightning speed of delivery. Specially the Generation Z and millennials

would want their orders to reach on time which would otherwise result in negative e-word of mouth over online platforms through adverse customer reviews. Real-time delivery tracking would assist organizations as well as the customers trace their products until it reaches the customer doorstep strengthening the supply chain visibility. Integrating visibility into outbound logistics has become a prerequisite for ensuring customer satisfaction in the last mile delivery process.

When facing the challenges in this next normal situation, organizations find diplomatic ways to manage their supply chains. For an instance, Hellmann which provides contract logistics services and 4PL services to MAS holdings, now formed a new joint venture of "Hellmann MAS Supply Chain Ltd" (HMSC). Along with this formation, it helps to position themselves as the market trend setters in the global supply chain, and it makes them invincible in the marketplace. The strategic partnership with global logistics partner of Hellmann, helps MAS enhance their agility and speed to market as now they have strong foundation to offer warehousing, value added services and 4th party logistics solutions. Also it provides additional skill for MAS by bringing intellectual capital and hands-on expertise capable of delivering strategic enhancements in periods of disruption.

Even though, many of us believe that we got hit at the early outbreak of COVID-19, now only we are getting the real shock. The current pandemic emphasized the need to reassess vulnerabilities related to supply chain and identify the reforms that will help strengthen the resilience to future shocks, including other frequent challenges such as climate change. Such disruption could be seen as an opportunity to re-think, revert or even pivot. Hence, there is no doubt that the pandemic has tested the ingenuity, resilience and flexibility of supply chain leaders across the globe.





“WE CREATE CUSTOMER’S DESIRED PERCEPTION.”

Dr. Lasantha Malavige
Chairman and Chief Executive Officer
Lassana Group of Companies

Interviewed by: Rushan De Silva, Udul Kalapuge
Transcribed by: Rushan De Silva, Ayodya Edirisinghe
Photographed by: Ashan Rodrigo

Q Who is Dr. Lasantha Malavige? Tell us about your journey behind the success story of Lassana Flora.

If I give you a brief overview of my career and business, I started Lassana Flora as a hobby when I was a second-year medical student at the University of Colombo. It did not start as a large-scale business, but it has progressed gradually. In the beginning, Lassana Flora was a wedding florist. After my internship and following two years of work as a doctor in Sri Lanka, I moved to the UK to do my postgraduate. I was placed in the Oxford Centre for Diabetes and Endocrinology, where I did my PhD and was a part of Oxford University. I came back in 2009. Since then, I've been managing my career as a doctor as well as my business. In terms of the business, it has diversified and is vertically integrated into the flower-growing industry. Now, we are the largest flower growers in the country.

Q Lassana Flora was recognized as South Asia's first ISO-certified florist company. What are the core competencies that have made Lassana Flora a proud sustainer in the industry so far?

I think as far as ISO certification is concerned, we got it early on because I have been managing Lassana Flora with limited time available. I focused on systems and procedures. When you look at many florist businesses, they are all small businesses, and they do not put too much emphasis on systems and procedures. When we went for the ISO certification, it was very easy for us from the start, as we had fine-tuned and developed the systems and procedures. It is not only due to systems and procedures that we have remained as the number one florist in Sri Lanka for so long. Yes, systems and procedures are important; at the same time, honesty and integrity helped us to reach and be in the number one spot. We have a culture where we always deliver what we promise, and customer-centricity is at our core. We are very focused on customer service. Therefore, we want to set new standards in service delivery. Any company that is fully focused on customer satisfaction and customer delight cannot fail. Therefore, I think those two factors have helped me be in the number one spot.

Apart from that, our staff and how well we are vertically integrated, act as our strength as well. I believe that the most essential factors are systems and procedures and a customer-centric approach.

Q Something unique about your venture, especially being in the floral industry, is the brand name 'Lassana'. How has it aided you in presenting your products or services to customers?

Well, actually, the name is not a well-thought-out brand name. When I asked my sister to suggest a name, she came up with "Lassana". We really didn't think about the brand name. However, the brand evolves with time with what you do and how you relate your work to the brand. I think all the things that we have been using, such as being customer-centric, honest, and always try to deliver what we promised. All these factors really helped us to build this brand as a reliable, trustworthy, and honest brand. It has given us the opportunity to get into new areas, such as new products and services, achieving the people's trust. I think the brand is not just the name itself; what is attached to it is the brand perception. Brand perception is mainly based on what we do, not just the name.

Q What were the strengths that made things possible for that shift towards the above-mentioned swift and fast adoption?

I believe we already had some of the strengths because we had the cold chain facility and an online channel. It's only about changing the products. We had the logistical facilities as well. The most important thing beyond the logistical facility is the team. Our team was very adaptable and prepared to change to meet a new need or situation. Therefore, the most important thing is the mindset to adapt and change when needed. The wedding people who were handling wedding customers, the customer care people, the designers had nothing to do with packing and dispatching vegetables, but they were prepared to do that. From top to bottom, we were all prepared to make fast changes. I went from sourcing vegetables from remote growers. Everyone was prepared to change,

“Brand is not just the name itself; what is attached to it is the brand perception. Brand perception is mainly based on what we do, not just the name.”



everyone was prepared to make a sacrifice, and everyone wanted to make a difference. I think it was the mindset that made it possible.

Q Are there any risk management procedures established in your firm? How do you plan to improve the risk management procedures of the company to face unforeseeable risks in the next normal environment?

I think, when considering risk management, you have to overlook two things. The first is, the probability of certain unforeseen things happening, and the second is the consequences of such an unforeseen event. We calculate the event and its possible consequences. As an example, suppose the probability of our vehicle having a breakdown or an accident is comparatively high, there is a risk, but when you are doing a wedding setup and if there's a vehicle breakdown, even if we get a call at 3:00 am while I was going to the venue, if the vehicle breaks down or meets with an accident, it's going to be a disaster. Therefore, as a mitigation strategy, in such a situation, if the work is supposed

to start at 3:00 am, we allocate two times the travel time so that even if there's a breakdown or accident, another vehicle can take the stuff and arrive at the venue. But when we consider our online fulfillment of delivering goods, we don't utilize that strategy since the consequences are not that bad. Even if there's a delay in a flower bouquet, it is not as bad as being unable to do the wedding setup on time. You have to understand the probability of having a bad event and the consequences of that event. We have to overlook both aspects and plan our risk management based upon that. Otherwise, being overly cautious can be unnecessarily costly and unnecessarily unproductive. Whatever the risk we take, we take it, and the risk we cannot take, we will not take it.

Q Lassana Flora is into online retailing as well, where you offer a range of products to the customer. What are the new trends in door-to-door delivery that the customer expects?

There are a lot of things customers expect in terms of speed. People expect the delivery to happen as soon as possible. It could be

next-day delivery, same-day delivery, or it could even be express delivery. Then comes the convenience factor that the customer expects: delivery during a very specific time, maybe before you leave home in the morning or maybe after you return home in the evening. Nowadays, customers do not expect a delivery person to call and get directions. In door-to-door delivery, people expect us to do the sorting, and that's exactly what we do. Then there is availability; when you place an order for a range of grocery items, if there is one product that is unavailable, it is a major dissatisfaction. We try to keep the replacements for grocery and fresh products to less than 1%. We'd like to make it zero. Especially when dealing with fresh products, there are challenges. Then, Speed and Safety are also major concerns, along with health and hygiene. We have started our contactless delivery system and also the packing system. Then it is safely dispatched, and no contamination happens during the delivery. We use all biodegradable packing systems, cardboard boxes, even all the vegetables are packed in paper bags, and we do not use polythene at all. The new

generation of customers always expects us to not just deliver on time, deliver with high quality, but also look at how safe it is, how well it is packed, and how environmentally-friendly we are in terms of the delivery. Some customers even look at how efficient our delivery system is and how we are contributing to reducing carbon emissions. Also, it is very important how we do the route planning: efficient route planning and efficient vehicle space utilization. We have gotten a lot of comments from our customers mainly because of our zero-polythene usage.

📌 Farm to the doorstep in 24 hours, or the 'farm-to-table' policy, is one of the newest initiatives that you have implemented in recent days. Tell us about this operation and the supply chain modifications made to keep the promise to the customer.

It is a big transformation from the usual way the customers get their fresh products. When you shop at the supermarket or normal grocery store, we do not know when these were harvested, we do not know the origin, as long as they look good to buy. We had transformed

"Systems and procedures are important; at the same time, honesty and integrity helped us to reach and be in the number one spot. We have a culture where we always deliver what we promise, and customer-centricity is at our core. We are very focused on customer service."



LassanaFlora

our ordering system to make sure that all that we get today is sold tomorrow; what we do is, predict the following day's requirement and we start collecting them from the centers: two main collecting centers, one in Dambulla and one in Nuwara Eliya-Kappetipola, where growers have registered with us. The members from the collecting-center visit those growers and collect the products. Our freezer trucks go to those locations every day and bring the stuff to Colombo at night, where they are packed and dispatched the

“We are very export-centric, and we understand that exports are one of the major triumphs for Lassana Flora as well as for the country.”

following day. It is a major transformation that we had to make in the way that we handled procurement. We were just planning for the next day's requirements, and now we are using AI systems to optimize the process. As a result, the margin of error is smaller, there is no waste, and there is no unavailability. If you over-order, there will be stuff that is more than 24 hours old, and if you under-purchase, there will be some customers. We will have to send replacements; we will not have the exact product that the customer wants. It is a delicate balance that we have to maintain, and it involves a few tedious calculations, certain higher purchases, and customer purchase patterns changing with the day of the week, holidays, and pricing. All these factors affect the buying behavior of the customer. We have to look into all these factors when we are doing this kind of order processing and procurement system.

Q What is the role of Lassana Flora in horticulture exports in Sri Lanka and, in your opinion, how significantly can horticulture exports contribute to the economy of the country?

I think we are on a major expansion drive in our exports. We are very export-centric, and we understand that exports are one of the major triumphs for Lassana Flora as well as for the country. For your specific question

about horticulture as an export, I think we have tremendous, unexploited potential for horticulture exports, and we are working hard as an organization. I think the government is also keen on promoting this area. I think, compared to the potential, we are not living up to that potential as of now. But we need to work towards increasing the range and increasing the volume of exports. One strategy that we are following, and the export development board has also supported us in this endeavor, is to sell Sri Lankan flowers under our brand in the region. We are starting our first overseas branch in Bangladesh. It is not just export; you are exporting a branded product, and we are not just selling it to you; we are selling it to the end customer. That is what we are trying to do in terms of exports over the next five years.

Q Finally, what are your concluding suggestions to sustain or improve the economic development in the country at this tough time?

I think everyone has a role to play. It is not just the government. We cannot say the government should do this and that. Everyone has a responsibility. Our main thrust has to be on exports and also improving efficiency and productivity, because even for exports, we can't be competitive if we are not efficient and productive. We need to have a national campaign to improve our efficiency, use of IT, use of other technologies, and also, individual's efficiency, how hard and efficient they work, because we have a situation where we are generally quite happy by doing little. We need to change that approach, and we have to work towards a more efficient, more export-oriented, more service-oriented economy. I think it is the responsibility of everyone, and particularly the responsibility of the professions. I also think that more and more professionals like you all have a logistics degree to become entrepreneurs. We also need to develop the entrepreneurial culture in the country. What has happened is that entrepreneurship is not accepted and not recognized in society. It is partly because entrepreneurs have not done their social responsibility. More talented people with a mission should become entrepreneurs; that is the way forward for the country.



CORPORATE ETIQUETTE

01. THE FIRST IMPRESSION

The first impression is a crucial factor today in this corporate world, and these useful tips will polish yours.

- 1. Be on time**
- 2. Be courteous and attentive**
- 3. Present yourself appropriately**
- 4. Have a winning smile**
- 5. Be open and confident**
- 6. Be positive**

02. THE IMPORTANCE OF BODY LANGUAGE

Eye Contact -

Look directly to show your confidence and attention.

Posture -

Stand or sit upright, with your shoulders back and your arms unfolded by your side or in front of you. Your head should be upright and level.

Shaking Hands -

A handshake should be firm but brief. Always keep eye contact and smile. Avoid sweaty palms.

03. BUSINESS COMMUNICATION ETIQUETTE

Show genuine interest -

Keep eye contact and make an effort to truly listen and respond to what others are saying, without getting distracted.

Don't walk into someone's office unannounced -

First, knock on the door or say hello. If it's open, ask if it's a good time to talk.

Arrive on Time -

In the business world, it is best to observe the old rule, "Five minutes early is late.". Thus, allow yourself enough time to arrive promptly.

04. BUSINESS CARD ETIQUETTE

Your card should be clear, easy to read, and simple.

Carry your cards in a decent holder or have few cards in your pocket. Never stick your cards in your wallet with money.

Business cards are exchanged at the start or end of the meeting.

Presenting your card -

Hand your business card with discretion. Don't give your business card with your fingers covering the details. Hold the top corners of the card using both hands, or your right hand with the details facing the recipient. Look at the recipient and smile while handing the card.

Receiving a business card -

Don't ask for business cards in front of a group of people; do it privately. When receiving a business card, receive the calling card the way it is presented to you. If the individual is using both hands, receive it with both your hands

You may always dress with finesse and offer a remarkable shake hand.

05. EMAIL ETIQUETTE

Use standard fonts and formatting - Keep your fonts, sizes, and colors classic

Include a clear subject line - Title your email in a way that the recipient immediately knows what the message is about before opening it.

Use professional greetings - Choose a salutation that is appropriate for the relationship you have with the recipient.

Double-check attachments: Let the recipient know in the body of your email that you have attached a document. It's also good etiquette to compress or zip the attachment so it takes up less space in their inbox. You may also want to consider uploading them to the cloud and giving the recipient the link to download at their convenience. Double-check the attachments before sending the email.

“ If you are going to do TPS (Transportation Protection Service) you must do it all the way. You also need to change the way you think. You need to change how you look at things”.

*Taiichi Ohno,
Father of Toyota Production System*

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RESILIENT SUPPLY CHAINS FOR A TIME BEYOND NORMAL; FOR NEXT NORMAL

KASUNI GOMEZ

Undergraduate
University of Moratuwa



C COVID-19 pandemic has left its mark on the global economy with a lasting impact on many businesses and supply chains. In the face of numerous challenges businesses' operations were disrupted due to travel restrictions, economic downturns, supply chain issues, and constraints on resources such as labor, material, equipment etc. Although businesses started implementing alternatives to rise from the ashes of COVID-19, getting back to next normal was quite different from the 'previous normal'. In the context of this 'next normal', companies around the globe are more focused on e-commerce for sales, digitization of business processes, integrating operations with technologies, and designing the supply chains to be more flexible and responsive.

The increased pressure for business integration with advanced technologies

will result in economic challenges where significant capital investments are essential. Also, the growing e-commerce sales that encourage direct-to-customer sales structure require timely and accurate information sharing to provide high-quality customer service. Additionally, businesses have the added responsibility to spend on the appropriate health and safety measures in this next normal era. Most importantly, risks and disruptions in the supply chain have resulted in severe economic challenges to businesses.

Disruptions have always been there, yet COVID-19 has become a catalyst for disruptions, making the supply chains more vulnerable. The spread of the virus can result in affecting individuals, ceasing manufacturing/sourcing processes, closing down of facilities due to having infected people/employees, goods being stagnant due to travel restrictions, breaking the

information flow, and reducing supply chain visibility. Further, such disruptions have become difficult to predict, giving rise to uncertainty. Therefore, supply chain design should focus on providing more robustness to, reduce the impact of possible disruptions.

What is supply chain resiliency?

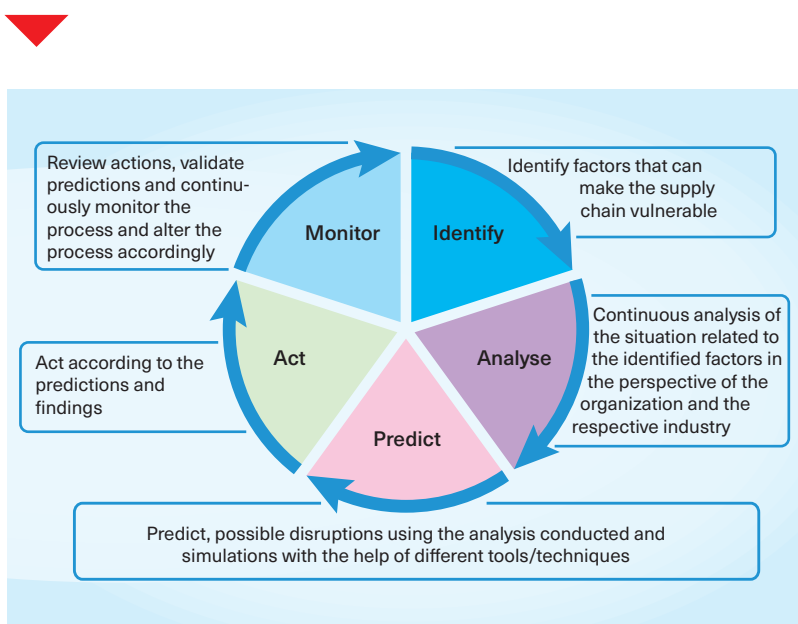
The concept of resiliency rose with the work of C.S. Holling, an ecologist, who further grew into many domains and currently has come into play under supply chain management.

Supply chain resiliency can be identified as the ability of a supply chain to resist, adapt, respond, and recover in the face of disrupts in uncertain situations. According to researchers in Michigan State University, there are two key components of resilient supply chains: -

- Capacity to resist – this component focuses on avoiding and resisting the disruptions which covers a more proactive aspect
- Capacity to recover – this component focuses on recovering and responding and adapting to the changes in a reactive aspect

Initially, focusing on the ‘capacity to resist’ in a resilient supply chain, can be more challenging than paying attention to the reactive aspect.

Figure 1: Process to ensure capacity to resist a resilient supply chain



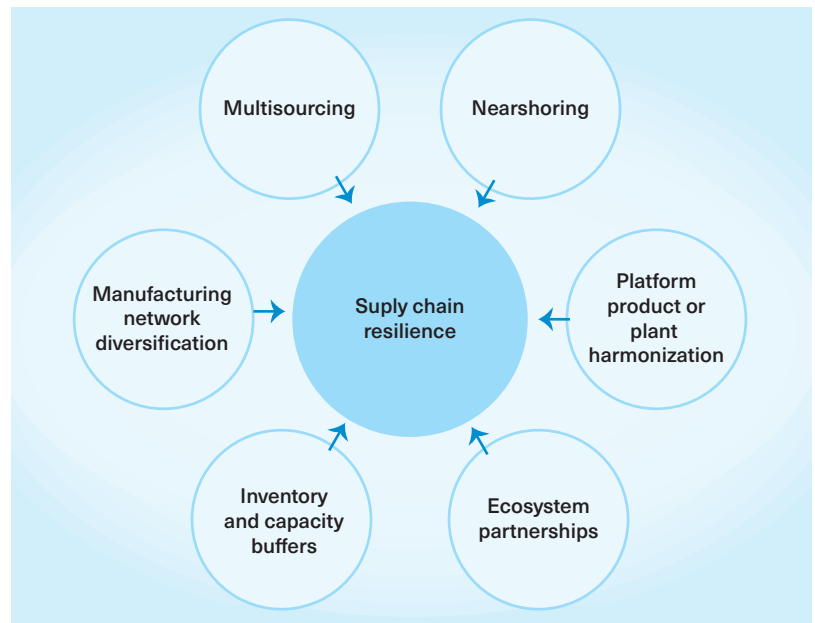
capture the proactiveness of a resilient supply chain can be designed with five elements which are Identify, Analyze, Predict, Act and Monitor.

- **Identify** – Initially, it is important to identify which factors are critical for the supply chain and which factors can be impacting the supply chain to be vulnerable in different conditions. Considering the example of a FMCG manufacturer, the disrupting factors at the time of the pandemic can be identified as travel restrictions, workers getting affected by the virus, temporary close down of facilities, etc.
- **Analyse** – Then, the analysis should be conducted to capture the current situation under the identified factors. It is always better to have a 360-degree view on the organization and the industry to achieve a broader perspective. A simple example can be derived from the scenario mentioned in the previous stage. The FMCG manufacturing organization can analyze the COVID-19 transmission rates in the respective locations where they have critical operations.
- **Predict** – Predictions can be made using the analysis conducted in the previous stage and by simulation that captures what if scenarios. For this step, advanced predictive models, mathematical models, and simulation software can be used. Utilizing artificial intelligence applications such as machine learning and deep learning are recommended. For example, the FMCG organization can predict how the COVID-19 transmissions can affect their factories and supply chains and predict the reduction of labor, the possibility in shutting down the facilities, and possible disturbances/barriers for transportation.
- **Act** – when acting according to the predictions made, assessing the risks with their probability of occurring and impact along with having contingency plans is quite important. For instance, after predicting possible disruptions the organization can keep buffer stocks, create optimization plans for labor, and restructure process layouts in a factory to minimize transmission of virus.

- **Monitor** – Finally, the process should be continued by validating the predictions, and monitoring the other steps and making changes according to the changing situations. For example, the FMCG organization can validate the accuracy of predictions and the effectiveness of their actions.

Next, focusing on the capacity to recover a resilient supply chain is vital. Accordingly, Gartner has identified six strategies that can improve the supply chain resilience as shown in Figure 2.

- **Multisourcing** – Having a single source for the operations is considered as high risk, and as indicated in multisourcing the businesses should focus on diverse sources. This allows the organizations to adjust their sourcing strategies while giving space for flexible supply chain design.
- **Nearshoring** – During the pandemic, most businesses faced challenges when sourcing from distant suppliers. Therefore, it is beneficial to source and has supply chain partners from nearby geographical locations. Regional, local supply chains can be more expensive or less in quality, however, having mitigation plans for such cons and strengthening nearshoring helps to improve the resiliency of supply chains.
- **Platform, product, or plant harmonization** – standardizing the products, and platforms used in the business and plant activities can greatly benefit to build up resiliency.
- **Ecosystem partnerships** – An ecosystem with trusted partners can always save the way for all the parties. Therefore, it is important to have strategic and effective relationships with supply chain partners like 3PL providers, suppliers, contract manufacturers, etc.
- **Inventory and capacity buffers** – Having buffer capacity allows the organizations to respond quickly in disruptive situations even under uncertainty.



- **Manufacturing network diversification** – having diversified manufacturing plants in different locations can provide flexibility as the demand can be met even if disruptions occur at one location.

Figure 2: Supply chain strategies that focus on the response aspect

A study conducted by McKinsey and Company in 2020, revealed that around 93% of the business leaders believe in investing in resilient supply chains. The study highlights that the companies are aware of the importance of improving resiliency in supply chains and its positive impact can be witnessed around the globe. When organizations are equipped with resilient supply chains, the disruptions can be handled in a way that minimizes the losses while improving sales. Improved productivity and efficiency in operations, meeting the customer demand without delays, achieving high customer satisfaction, and effective management of supply chain risks are direct/immediate benefits gained from a resilient supply chain. Lastly, it should be noted that a resilient supply chain also has the capacity to resist and recover from disruptions in a flexible manner, and help the businesses and world to win over the economic challenges that can arise in the next normal.

“WE PRACTICE OUR BASICS THROUGH THE BUSINESS CONTINUITY PLAN.”

Mr. Lagath Gamalathge
General Manager, Project Management Division I,
Access Engineering PLC

Interviewed by: Vinura Goonasekera, Induwaree Ganepola
Transcribed by: Vinura Goonasekera, Induwaree Ganepola
Photographed by: Mihin Pieris

Q Who is Lagath Gamalathge? What is your role as the General Manager of Project Management Division I at Access Engineering PLC?

I graduated from the University of Sri Jayewardenepura, Faculty of Management with a Bachelor of Commerce special degree and I specialized in Marketing. I started my career as an Accountant in 2000 and gained 22 years of experience in different sectors like Manufacturing, Operations, Trading and in many diverse areas. I joined Access Engineering PLC in 2007 as a Project Accountant, and I got promoted as an Accountant in Production and Marketing to Marketing Manager to Senior Manager and then to Head of Production in Plants. Afterward in the year 2018, I was promoted to DGM in Co-operative Management of Access. Currently, I'm handling and heading the Project Management in Division I as a General Manager. We have Project Management Division I, II, III, and IV in Access where Division I also known as Production Sector, is basically for the production of construction-related materials. From our context, we supply 80% for external purposes and 20% for internal purposes like ready mixed concrete, quarry crushers, asphalt manufacturing. There are around 800 Access employees, and there are more than 34 Strategic Business Units all over the country. We started this sector in 2012 with our private placement in Access Engineering

to the share market and today, we are the market leader of asphalt, holding almost 70% of market shares. My role was to achieve cost leadership in the industry, and we were able to obtain the economies of scale and other mass productions successfully. Today we have become the market leader.

Access Engineering has worked on some of Sri Lanka's most important infrastructure projects as one of the country's leading civil engineering and construction firms. Give your thoughts on Access Engineering PLC's progress into a company that supports Sri Lanka's infrastructure.

We have diversified constructions, construction-related materials, automobile, and mechanical engineering areas. In terms of construction, we are into roads and highways, building and piling, wastewater management, power infrastructure, engineering designs, telecommunications, construction-related materials such as the production of asphalt, concrete, quarry, crushes, and autoclaved blocks. In the automobile sector, we have vehicles, spare parts, and sales services, and in terms of mechanical property, we have official commercial space leasing, and real estate services.

We are proud to say that we actually contribute to the development of the nation in many ways. Access Engineering PLC is one



of the highest rated construction companies in Sri Lanka across all the engineering recipients in CIDA (Construction Industry Development Authority). In fact, we are the only active public quoted construction company in Sri Lanka.

Q In your perspective how Access Engineering has Contributed to the Field of Logistics and Transport Industry of Sri Lanka?

We are handling over 40 % of tipper transportation trucks in the country directly and indirectly. In addition to that, we have our own fleet as well as externally hired fleets. More than ten thousand livelihoods depend on us. We have another investment of Access Engineering in WUS Logistics which is the largest logistics complex in the country amounting to more than forty-three thousand square feet in size. Access Engineering PLC successfully constructed

Logistics park in Kimbulapitiya which is the largest in the country as well as in South Asia, collaborating with Camso Loadstar and Michelin tires. Further, we are targeting Foreign Direct Investments (FDIs) through the logistics area. Regarding Transportation, we get involved in building road networks and facilitating human needs, employment, health and education by supplying asphalt for around 750km in the national road networks.

After the pandemic, we supplied asphalt for more than 3000 km per month to the National Road Network and engaged in the construction of the Kadawatha town road project as well as the Central Expressway. Most importantly, such investments reduce the transportation time of people since they are cost and time effective. We are engaged in many other projects like the construction of flyovers in Gatambe and Kohuwala. Likewise, we have contributed to the Transportation sector in Sri Lanka in ways innumerable.

Q What is the role of Infrastructure facilities and construction projects in developing agile supply chain Networks that are reinforced with resilience?

Overall, agility refers to flexibility, productivity, responsiveness, and quickness. Developing the infrastructure like road networks, with these concepts, helps to reduce the time and cost. It is the most important thing in any commercial operation which obtains cost leadership. The quality of the products will also improve since it takes less time for transportation. As an example, fruits and vegetable transportation. If you can eliminate them from the transportation, it'll help more and it'll help to deploy mass production and it can obtain economies of scale. If you're meeting cost time and quality, you'll meet the demand. If you have low cost, you have competitive advantages. We are able to supply many projects to the top 5 companies in Sri Lanka. Cost, quality, and on-time delivery are the main key areas to

this success. That was how we became the market leader. It is all about cost and quality.

Q The Institute of Chartered Professional Managers of Sri Lanka has awarded Access Engineering PLC the Silver award at the best Management Practices Company Awards 2022, 'Back to Business in the New Normal'. Can you briefly explain some of your corporate principles which led to this achievement?

Prior to the pandemic we only had 18 plants all over the country. We were prepared to expand our business before the pandemic, but after the pandemic, we decided to apply the basics. We have formulated a business continuity plan. Our sales were declined by 48% in mid-March 2020. In April the revenue was declined by 95% and profitability in March was declined by 80%. Profitability was declined by 120% in April. The main areas in the plan were supply chain management and capacity enhancement, real-time monitoring, continuous operation, quality assurance and control plans, financial, non-financial, risk management areas, and managing human capital. We applied this business continuity plan in 2 stages, short-term, and long-term. In short term, we were required to maintain our fixed cost. In long term, we had to manage the supply chain with the recipients, capacity enhancements, and continuous profits. Finally, we were able to achieve our break-even points by the end of May 2020. However, the local supply network was interrupted in many ways as transportation was completely disrupted. Yet, we minimized our unnecessary costs by monitoring through the cloud-based system called the Daily Progress Management system. We had meetings over zoom, teams, google hangouts and gave on-time decisions, real-time monitoring. Finally, we had the confidence to move forward with the strategic pricing methods, and we were able to win tenders from Road Development Authority, local authorities like RDA. Thus, we were able to reach our goals. Even though shipping was disrupted with foreign currency restrictions, as a solution, we were able to negotiate with the customer as a result of maintaining healthy rapport with them. We also planned to manage the buffer stocks to eliminate disruptions





“Cost, quality, and on-time delivery are the main key areas to this success. That was how we became the market leader. It is all about cost and quality.”

through the productions. Around six times of growth in revenue, profit was even more. We were able to enhance our capacities. Our initial 18 business units were later developed to island-wide 34 business units in 2020. The 30% market share too has increased to 65% market shares. This, I believe, is our achievement.

❏ How has the dollar crisis in Sri Lanka affected Access Engineering and what are the steps the company has taken to reduce its impact?

The main issue was import restrictions as we depend on many imports. For instance, one of our main products asphalt requires bitumen as a raw material which is a petroleum product. We had to manage from buffer stocks. Nevertheless, our positive relationship and financial foundation with banks helped us overcome these difficult situations. In addition, under import restrictions with LCs, DP terms and DA terms, we managed in the most economical ways by negotiating with customers benefiting from the favourable relationships we had with them. The main strength was the dollar reserve we owned. Since we have to invest in several different projects such as flyovers, WUS logistics park, Projects in Kenya, and other constructions, we receive income as dollars. That was our strength to bargain and

demand with the bank. We utilized these foreign reserves economically. We tried to save costs by minimizing imports while securing and enhancing the buffer stock. With research and development, attempts were made to replace bitumen by minimizing the content of asphalt production with carbon with a 1% or 2%. We successfully experimented this strategy with the Road Development Authority. The negotiation power with the bank came to place and we were able to manage this importation under this crisis.

❏ Access Engineering PLC has recorded an after-tax profit of Rs. 2.22 billion in 2020/21. How did you manage to find success in a crisis situation like this and what measures would you take to keep up this success in the future?

We practice our basics through the business continuity plan. Making correct and timely management decisions, and applying them correctly are very important. Every week, our cooperate management held meetings, and we had close monitoring of progress, which is a protocol in our business continuity plan. We always tried to reach at least the breakeven point, by minimizing our costs. For that, we have limited all our unnecessary costs by identifying them correctly. Finally, once we reached our

target, we even distributed the profits among our employees as well. Rewards and recognition were given to them; as human capital is a very important part of Access. We utilized our resources to the maximum and we obtained economies of scale, which is a reason for our profitability. Also, we were receiving all the debts, which helped to maintain a good liquidity and we even had sales growth.

“We have a management approach named PDCA, which is Plan, Do, Check, and Adjust. We are mainly following the root cause analysis system where the focus is on finding the root cause of a problem rather than just applying temporary solutions.”

Q Access Engineering PLC (AEL) is making rapid progress on the T-Mall flyover and 05-foot bridges in Kenya, and the project is on track to be finished and handed over next year. The T-Mall flyover will be Kenya’s first steel flyover. How would you deal with the difficulties that arise during such a large-scale worldwide project?

This project is under the Project Management Division IV. During this project, the biggest strength was the foreign partner, who is a well-established, stable, and a reliable partner. We have been maintaining a long-term relationship with them. Also, we have initiated proactive actions in advance. Another strength was that we have done similar projects in Sri Lanka, which gave us a good experience on such projects. We sent our most experienced management team to Kenya. Obviously, we faced many challenges in that country and during the project. But still, we were able to maintain good progress and finish the project on time, due to proper and on-time planning.

Q What are the current technologies that Access Engineering PLC has used in its construction field, and how does the com-

pany use the aforementioned smart technologies in construction projects to get a competitive advantage in the industry?

We have a management approach named PDCA, which is Plan, Do, Check, and Adjust. We are mainly following the root cause analysis system where the focus is on finding the root cause of a problem rather than just applying temporary solutions. In addition, having a proper plan to take on-time decisions is also important. Once we execute the plan, we always have to check and adjust. After having thoroughly observed the issue at hand, it is required to identify the actual problem which can then be resolved by applying the most appropriate solution. We also have a monitoring system named, ‘Cloud-Based System’ and Daily Progress Monitoring (DPM). Through the cloud-based system, we can track every production. We are using the ERP module as, SAP. We hold meetings frequently and very often, especially through online platforms, which help us to communicate easily with each and every one.

Q How important is the knowledge of smart technologies to the young undergraduates who are about to enter the field of logistics? Could you give your insights on that, as the concluding remarks?

It is obvious that the new generation is very good at handling new technologies. But most importantly, you should know how to apply them in a correct way and their real usage. We always have to apply the basics. Even though you have a vast knowledge of technology, if you are not utilizing it correctly and usefully, then that is useless. As undergraduates, you have to always think, about why you use it and how you can apply it in real-time scenarios. Imagining the usage of technology while learning leads to have many creative ideas. While learning, you have to plan things very wisely and creatively which can in turn enable you to apply those technologies in real-time operations. If you know the theory well, then you can apply them very efficiently. You can get the maximum support from what you have learned. Always focus on both the theories and their applications. Being practical is the most important thing.



BUILDING RESILIENCE FOR TOMORROW BY LEARNING FROM YESTERDAY

TEHANI PEREIRA

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With the dawn of the post-COVID-19 era, conversations about the health of the economy have been the focus for almost all stakeholders involved in each and every part of the global supply chain. When looking at the last two years, it is safe to say that COVID-19 has been the “black swan” event that has compelled business minds, companies, and entire industries worldwide to rethink about their global supply chain models. COVID-19 has highlighted the many cracks in the effective functioning of value chains. These have developed because of many unforeseen events in the past, such as natural and manmade disasters, sudden shortages in key raw materials, threats to the cyber space due to hacking attacks and pandemic situations. Thus, we can see that the impact of COVID-19 has brought to light the underlying vulnerabilities of supply chains, owing, to these events in the past.

For those of us who may have not been engaged in the study of logistics before 2020, to owners and leaders of most SMEs (small and medium-sized enterprises), supply chain may have seemed to be of very little importance as compared to other functions of an organization. However, in the post COVID scenario, we have understood the crucial importance of keeping track of key suppliers, monthly purchasing costs, and the smooth running of transportation without delays. The sudden change of consumer needs resulted in a worldwide spread of shortages and costly delays which has led us to the discussion of this subject even today. It is important to understand, that COVID-19 is not the sole cause for this overall impact on business organizations. Moreover, the incident as a whole has opened our eyes and has driven us to be prepared more effectively for potential challenges.

This was particularly seen in the event when the Suez Canal was blocked by the Evergreen container ship in 2021, causing major disruptions to surrounding supply chains. Jim Yarbrough, global intelligence program manager at BSI Group, states that supply chain is “boardroom – relevant now” and “the supply chain must be secure and resilient, we need alternate suppliers, alternate routes.”

When addressing this situation in Sri Lanka’s economy, the pandemic has posed challenges to its transportation network, warehousing infrastructure, agricultural industry, and its exports and imports. In efforts to recover from this situation,

logistics sector. The Smart Truck initiative via the Sy Trans platform made the booking and scheduling of trucks much easier, through mobiles.

The pandemic has taught us a lesson that we could apply to all areas in our lives, and that is having the ability to withstand unexpected changes by adapting and then thriving. According to the Pareto principle, it is advantageous for suppliers to direct their purchases to a select few suppliers, this may be a major risk to take, especially, in the face of uncertainty in the time of the pandemic. In this situation where key material is supplied by only one supplier to a certain plant in which there are trade

“The recovery journey of the Sri Lankan economy towards the new normal, despite dire constraints caused by the pandemic, took a pivotal turn to digitalization and contactless transactions.”

our leaders have realized that a national logistics system that is efficient and resilient is crucial, as this sector serves as the backbone for the functioning of our economy.

The recovery journey of the Sri Lankan economy towards the new normal, despite dire constraints caused by the pandemic, took a pivotal turn to digitalization and contactless transactions. SMEs managed to use social media and smartphones to reach their consumers and meet their needs to achieve sustainability. The World Bank suggests that digitalization, improved transport connectivity, multi-modal transport operations, and better stakeholder coordination would strengthen the domestic supply chains.

Mitigation means the act of reducing the severity of a circumstance, and we can see that mitigating efforts have been made since 2019 by private firms to improve the operational efficiency of the country’s

restrictions due to COVID-19 regulations, the risk of supply chain disruptions is higher.

Thus, resilience calls for identifying vulnerabilities in the face of unforeseen situations to help organizations to learn from mistakes and optimize activities to overcome challenges. This supports to restore operations to their original state, or even to achieve a more efficient level of operations through innovation.

Considering the risk in dealing with a single supplier, it is worth considering looking beyond the first and second tiers of suppliers and mapping the entire supply chain as this process enables us to categorize suppliers based on risk. This would help in determining how long a supplier would take to recover from a supply shock instead of shutting down its operations when a whole industry faces a disruptive shortage. How long an organization would take to recover from this state of dealing with a single supplier would reflect on its manufacturing

capacity, flexibility, and how it responds to changing needs.

For instance, reducing dependency on China is feasible for products such as furniture, clothing, and household goods but in the case of sophisticated machinery and electronics, it would be harder to find alternative sources of supply.

Today, supply chains have undergone a major transformation from traditional supply chains with the intention of regionalizing the supply and production networks to increase the stocks of critical product components available at manufacturing plants. Nearshoring production and increasing

to move with them by either transplantation or setting up new production lines which would help in revisiting their processes and routines and improvements. Considering the impacts of the pandemic, integrating these factors into strategic planning helps to increase flexibility and enables effective communication within supply chains.

The pandemic has clearly shaken industries and companies to the very core, as well as the mentality of consumers and stakeholders of global and domestic supply chains in what we now call the “next normal”.

After an earthquake has occurred and the major damage has been done to property

“Digitalization of the once-manual functions has paved the way to move products in new ways. This has enabled greater supply chain visibility.”

the suppliers have been the new practices of leading supply chain companies like McKinsey & Company. According to a survey conducted by McKinsey & Company in 2021, due to the rising need for risk management procedures and maturity of capabilities, most companies have been seemed to have strengthened their existing supply chain risk management practices whereas a minority have had to form new risk management policies from scratch.

Digitalization of the once-manual functions has paved the way to move products in new ways. This has enabled greater supply chain visibility. The adoption of modern technology such as artificial intelligence, conversational systems, Internet of Things (IoT), predictive data analytics, and block chain have proven to make supply chains more efficient, agile, and smoother to create value for customers and their partners. With these technologies which shifts from the traditional functioning of supply chains, some organizations may request suppliers

and people, one would investigate the causes as to what led to the damage. In our context, the earthquake and the subsequent damages is the impact of the pandemic — the “black swan” event. However, the old cracks on the property could be considered as the vulnerabilities to the supply chain which existed and built up over time long before the pandemic. I believe that we, the next generation walking into the industry, are stewards who are responsible in learning from the past to build resilient, sustainable, and flexible supply chains here in the next normal era and also for the future generations to come.

“A COLLECTIVE TRUST IS TO BE BUILT UPON A RULE-BASED AND MUTUALLY RESPECTED STRATEGY.”

Commodore (S) Achala De Silva

RSP*, USP, psc MDS, MSc (DS) Mgt, Dip in IR, SSAC, CDO Sri Lanka Navy
Director - Integrated Logistics Management System
Sri Lanka Navy

Interviewed by: Hirushi Cooray, Ransuni Thilothma
Transcribed by: Hirushi Cooray, Ransuni Thilothma
Photographed by: Nethmi Ariyadasa

🗣️ Tell us a bit about yourself and your career progression in Sri Lankan Navy?

I joined the Sri Lanka Navy as an Officer Cadet of the 22nd Intake and I underwent my basic training at the Naval and Maritime Academy, Trincomalee. In 1996 I joined Navy's elite force, the Special Boat Squadron (SBS) and took part in many operations in the North and East of Sri Lanka. I was awarded the Rana Soora Padakkama twice for my bravery in the face of the enemy. I have also followed the Clearance Diving Officer course in India,

Supply and Secretariat Advanced Course in Pakistan, Flash Style/ Balance Style training courses with US Navy SEAL Teams and Staff Course at Defence Services Command and Staff College. I have also earned my Master's Degree in Defence Studies from the University of Kelaniya and Master of Science Degree from the General Sir John Kotelawala Defence University.

I am one of the core authors of 'Maritime Doctrine of Sri Lanka' published by SLN(MDSL) SLN BR1. This publication



was a long felt need for the Navy. It was written under the guidance of the then Commander of Navy, Admiral Piyal De Silva. I have been Commended 05 times by successive Commanders of the Navy for my outstanding contributions to the Sri Lanka Navy. I was also awarded the Uththama Sewa Padakkama for my continuous unblemished service. I am also a keen sportsman and have represented the country as a member of the national swimming and lifesaving teams, I am the present vice president of Sri Lanka Aquatic Sports Union.

☑ A well-organized administrative structure is needed to control any system. Accordingly, can you describe the administrative structure that controls the logistics system of SLN?

In our system logistics is divided into two different administrative structures or two segments called logistics and budgetary finance at NHQ. Then we have 7 commands called NNA, ENA, SENA, SNA, WNA, NWNA, NCC and each of these commands consists of CLOG (Captain Logistics Department) or CSLOG (Commodore superintend logistics

department) All those officers are given certain responsibilities and authority to control the flow of funds and flow of materials. All logistics matters are filtered through the budget. Thereafter, all procurement, stores, victualling handling, repairs, Armament handling, medical handling are done through computerized Integrated Logistics Management System, which is one of the core systems in the Navy. We have two core systems – Human Resource Management System (HRMS) and Integrated Logistics Management System (ILMS). These systems provide facility to all the stakeholders to fulfill their day-to-day logistics needs with the supervision of above-mentioned authorities. All the seven commands are interconnected with the Naval headquarters and provisions are given to the higher authorities to monitor the logistics systems and to forecast the future needs with the assistance of the Integrated Logistics Management System. At present, the software engineering team is working on upgrading the system with the guidance of the higher authorities to address the future needs of SLN by adopting new technologies to the current system, aiming to uplift the efficient and the effectiveness of the Logistics department of SLN.

We are experiencing benefits such as better identification of stores items, improved accountability, corrective planning, ordering, forecasting, effective and efficient inventory control, accurate reports generated for better decision making, accurate costing, transparency in transactions, online accessibility for Auditors and decision makers, reduced redundancy and non-moving stocks and increased productivity, and speedy handling of stores and inventories. At present, the Directorate of ILMS is being upgraded to current system, adopting new technologies to meet the future requirements of SLN.

Q Under the “Whale watching project” SLN gives a rare opportunity to all local and foreign passengers to witness the beauty of Sri Lankan territorial waters since 2011. Do you believe this can be used to boost the tourism industry in Sri Lanka?

Sri Lanka Navy launched “Whale watching project” in January 2011 with an exclusively dedicated ship called “Princess of Lanka”. The cruise is operated from Galle and Trincomalee during November to April and

“It can be suggested to revamp the entire Whale watching project according to a new business model to top-up the return on the investment and helps to boost the Tourism industry of Sri Lanka.”

Q What are the measures adopted by the SLN to maintain the logistics system more efficiently and cost-effectively?

Sri Lanka Navy forecasted the future requirement with the developments of technology and as a result, the SLN has purchased a computerized software system called “Integrated Logistics Management System” to replace the existing manual system for better management of logistics in 2007, as the first step of automating the logistics functionalities. At present ILMS is one of the 2 core systems used and SLN took over the developments on 2012 enlisting the System Developers.

May to October respectively. There are 56 crew members attached and seating capacity of 300 is available in the ship. Sri Lanka Navy charges \$60 to \$80 (including tax) from a foreign passenger and provides more facilities during sailing when compared to the private whale watching ships/boats.

The main problems attached to this project are that, high fuel consumption of the ship, compulsory major repairs and maintenance of the crew members regardless whether the ship has sailed or not. As a result of above-mentioned factors, return on the investment (ROI) of the entire

Whale watching project was very less especially during the COVID 19 situation. If we can sail out every day, we can definitely contribute to the economy.

Q So, does that mean SLN need a pretty big investment or high levels of tourism income to renew those shuttles and to accommodate the rising fuel prices?

No. we have to rearrange the model. If you are going for whale watching you need to match the speed of the whale which is really slow otherwise you could scare the animals and might ruin the experience. So, since these “slow engines” cannot be made, we are using high speed engines with speed slowed down which uses a huge amount of fuel. It can be suggested to revamp the entire Whale watching project according to a new business model to top-up the return on the investment and helps to boost the Tourism industry of Sri Lanka.

Q What is the role of SLN in disaster relief operations? How do you handle an effective humanitarian logistics system in such situations?



“Five basic activities of military support provided are security, relief, supporting the affected population to return or relocate, technical assistance, and consequence management.”

A disaster is a serious problem that may be natural or manmade occurring over a short or long period of time that causes widespread human, material, economic, or environmental loss. If the government mechanism cannot cope with the hazard, we call it a disaster. At this point, we need to get all the possible support from all people/institutes to arrest the situation. Sri Lanka has a Ministry for Disaster Management (MDM) and they work with the lifecycle of disaster management which consists of Preparedness, Response, Recovery, and Mitigation. SLN contributes to the MDM in such situations with the cooperation of other

military organizations and military personnel bringing value by, Energizing, Galvanizing, and Challenging. SLN has core capabilities like fast decision making, operational agility, quick response, access to resources, ability to access affected areas and provision of assets (rations, water, electricity). Five basic activities of military support provided are security, relief, supporting the affected population to return or relocate, technical assistance, and consequence management.

Q The Green and blue concept with the theme of “Neela Haritha Sangamaya”

was started by SLN. What strategies were taken to make this project a success?

The inception of the green and blue concept with the theme of “Neela Haritha Sangramaya” was marked by the Commander of the Navy, Vice Admiral Piyal De Silva with his own initiatives and the declaration of Naval Dockyard as a Domain of Green and Blue is the pilot project of this visionary concept. The Reprocessing Flow is a critical part of the “Greening of the Supply Chain”. The United States Environmental Protection Agency (EPA) originally came up with the concept of the so-called “4Rs of waste management”: Reduce, Reuse, Reallocate and Recycle. SLN has applied the

include the interest of many countries over this ocean. So, this area needs assurance of freedom of navigation allowing free trade and commerce to reach expected ports of call without conflict of interest.

The Second, is that the international community is looking for future-oriented maritime security cooperation. Sri Lanka has 1340km of a huge coastal line and enjoys sovereign rights up to 12 nautical miles of territorial waters around the country except for Northern waters, which is divided as per equal distance of territorial limits. We are a small island nation but a huge maritime nation. State and Non-state actors use this

“Therefore, Sri Lanka Navy has to play a vital role in protecting the security of the sea. In this situation, I believe the stability of geo politics in the Indian Ocean is the stability of the international.”

4R’s concept as a strategy to come up with the “Neela Haritha Sangramaya” in various aspects like the conservation of electricity and water, wastewater management, rainwater harvesting project, etc. Also, some projects like oily water management, beach cleaning programs, and conservation of turtles made “Neela Haritha Sangramaya” a success.

How does SLN plan to make the future fleet according to the SLN 2025 maritime strategy?

Firstly, we must have a better understanding of our culture, which consists of lots of subcultures, national interests, objectives, ways and means, and also geopolitical scenarios. Then we have to make our own strategy based on national policy to achieve our objectives. Having said that, I would like to funnel through my answer on two aspects.

First is Strategic Locations. The second safeguarding the Sea Area. As for the first point, Sri Lanka is located at a strategic point in the Indian Ocean. An average of more than 290 ships passes through this route every day. That undoubtedly would

area for their interest which undoubtedly lead to conflict of interest of concerned parties. Therefore, Sri Lanka Navy has to play a vital role in protecting the security of the sea. In this situation, I believe the stability of geo politics in the Indian Ocean is the stability of the international.

The Future Sri Lanka Navy fleet must be adequately capable of mitigating the threat process from the sea and ocean while influencing its national interest at a distance. Capable of power projection from the sea, extending; its lifting capacity, Naval Gun Fire Support, and logistics support of its own forces for operations other than war like, Humanitarian Assisted Disaster Relief (HADR), cooperating, assisting and extending logistics support to SLAF out at sea, facilitating world peace by ensuring global legitimate interest in the responsible sea area in the Indian Ocean by way of building sea denial and controlling capabilities. Therefore, the Sri Lanka Navy is focusing on obtaining more Offshore Petrol Vessels or capital ships, ocean-going ships into its inventory in order to arrest any potential threat for the country.

LOCALIZED PRODUCTION AS A SUPPLY CHAIN SOLUTION FOR ECONOMIC CHALLENGES IN THE NEXT NORMAL

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Several key supply chains, such as Medicine, FMCG and Petroleum were disrupted due to the COVID - 19 outbreak which impacted negatively for many global economies in maintaining the supply and demand equilibrium accordingly. Challenges faced during the finding of suppliers was a key issue faced by many manufactures due to the lockdown economies that resulted in minimum involvement of procurement process to assess the best suppliers. Many conglomerates focused on running the production process with a lesser number of people by introducing the work from home working method and the necessity of ICT and IOT was highly highlighted during the period.

According to Andrews, Gal and Witheridge (2018), Global value chains have generated significant economies of scale and productivity gains as well as lower production

prices. The presence of global value chains has created economic opportunities for small and medium enterprises in emerging economies because of their direct marketing and selling operations which do not require to go pass all the supply chain stages.

However, the uncertainty and instability of the economic activities were the major concerns faced by global supply chains when the pandemic got severe. Risk of purchasing materials from lockdown countries and countries with higher numbers of patients was identified as a major threat. Countries such as China, was identified as a main supplier for many production processes and as one of the most risk associated countries to purchase materials. Lack of supply in the Personal Protective Equipment (PPE) during the early period of 2020 brought the entire world into a huge uncertainty in continuing the production process and instability was even seen commonly in the first world

economies of the world such as USA, China and Russia.

As a solution for the major economic shocks, Mckinsey (2020) highlighted the value of localized production. As per Mckinsey (2020), the ability of localized production to provide better security in supply of raw materials and finished products within an economy in the next normal is suggested as the prime solution for economic challenges. Mckinsey (2020) also highlighted that maintaining greater reliance on localized production will limit the scope for cushioning shocks, which commonly initiate within the economy.

Distributed manufacturing was identified by Durach in 2017 as the strategy which

changes the manufacturing process and delivery chain after the localized production. Srai (2016) mentioned that manufacturing materials in different locations and assembling them at a specific location after collecting all the manufactured materials from around the globe is also a form of distributed manufacturing and localized production is the father of that phenomena. Roscoe and Blome (2016) found that the ability to supply goods as per the customer's requirement as customized goods is easier to achieve by performing localized production.

According to Srai (2020), developing a business model by focusing on economies of scope with the contribution of distributed manufacturing could add value to localized production. Use of multi-domestic production model for core – activities such as, operations, monetary transactions and delivering finished goods is concerned as a value adding model by Detoni (1992). By applying this model, manufacturers will be able to operate well in the assembly location and supply the assembled or completed production to the local market within minimal lead times. Indigenous production model is another model to promote localized productions which focus on small and medium size entrepreneurs in an economy (Markusen, 1996). The indigenous production model allows small and medium size entrepreneurs to consume most of the resources of an economy and market their finished products by giving priorities to sell them in the local markets. This model will reduce the degree of contraction with intermediaries and overseas parties in the next normal.

Localized production will be an ideal solution for export-oriented economies in Asia because it will be suitable for both services trade and manufactured goods trade. Localized production will also serve in intangible businesses such as education and involvement of local resources will be an ideal solution for unemployment as well. Localized production also could retain the migrating labour force within the country depending on the success of adaptation.

“As per the Mckinsey (2020), the ability of localized production to provide better security in supply of raw materials and finished products within an economy in the next normal is suggested as the prime solution for economic challenges.”





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A portrait of Mr. Gihan Wirasinha, a middle-aged man with short dark hair, wearing a dark blue suit, white shirt, and patterned tie. He is sitting in a black leather office chair, looking directly at the camera with a serious expression. The background is a blurred office setting with window blinds.

**“WE PROVIDE A
PORT-TO-PORT SERVICE FOR
OUR INBOUND CUSTOMERS.”**

Mr. Gihan Wirasinha
Director - ASL Logistics CMB (Pvt) Ltd

Interviewed by: Hirushi Mohotti, Tehani Pereira
Transcribed by: Hirushi Mohotti, Tehani Pereira

Who is Gihan Wirasinha? Tell us more about your career progression and the aspiration behind your success.

Coming from very humble beginnings and being the youngest of a family of four, I completed my education at St. Thomas' College Mount Lavinia in 1988 after my GCE Advanced Levels. After A/Ls I moved to UK for my higher studies; since I had to fund my own education, was compelled to work night shift as a part-time sales assistant in a retail company at Gatwick Airport. Since I was the only Asian in the team, most of the 'not nice' tasks were thrust upon me and that inspired me to work smarter and achieve recognition from my superiors and in six years I was made the duty manager

and the roles were reversed. I had 13 duty paid retail shops under my remit at Gatwick Airport and it was a challenge that gave me immense satisfaction. I had a management style that encouraged and inspired my team. In 1996, I decided to come back to Sri Lanka much to the delight of my parents and sisters. Many of the staff who were directly under me were disappointed that I was leaving the UK & their tears really showed how much they valued me. I used to be passive and shy, these traits changed for the better from the exposure I received from working in the UK for an international retail chain. With a leap of faith, I decided to come back to my motherland without any employment and was fortunate to have landed with a

job at Hayleys Advantis (formally Maritime Holdings) through my sister and since then it was onwards and upwards.

It amuses me to think that I had no idea what a 'container' was when I started as a Junior Executive for a forwarding company (MIT Cargo). I was a quick learner, and I had a great guru and more importantly freight forwarding was literally in my blood. I hit my targets consistently and was promoted as an Assistant Manager in 2001 & Manager in 2003. I was offered the opportunity to move to Hong Kong overlooking the region. This was a new territory for me although I had travelled to the surrounds, I had not been to Hongkong. It took me around two years to master the art of building relationships with the Chinese Stakeholders and get to know the culture and people. We were on par with leading companies such as Expo Lanka and building significant volumes. All good things must end at some point and with a heavy heart I decided to part company with Hayleys to whom I am eternally grateful to and ventured out on my own with three of my close friends, Chaminda, Shiran & Kapila and ASL Logistics was founded in 2019.

Q What are the specialities of ASL Logistics in providing freight forwarding services? Can you tell us more about the success story behind launching Fortiz Logistics International (Private) Limited, a fully licensed logistics provider?

ASL's Head Office is in Colombo, and having our own offices in Thailand, Myanmar and representative offices in Hong Kong, China & Maldives. Our strength is our experience. For example, having Sri Lankans in key strategic locations such as Hong Kong, Thailand and Myanmar for customers in Sri Lanka; who need a solution to their problems, we are quick to respond & avoid any language barriers. ASL is people centric with a strong belief in our people. We started with just five in the team, that was our customer service DGM and four of us the shareholders, and now the team has grown to 35 plus in Sri Lanka, two in China, 12 in Myanmar and 50 odd in Thailand as we are having operations for freight & NVOCC. 95% of the team joined from large organisations in Sri Lanka bringing a wealth of knowledge and experience. The overseas teams too are

from global shipping/logistics backgrounds. We feel humbled by the fact that they chose to team up with a small company like ours that shows their trust in us.

Looking at Fortiz, we were approached by Acorn Travels (Pvt) Ltd during COVID-19 pandemic, when the travel industry was basically at a zero level, but they wanted to diversify and have a freight forwarding arm as Acorn was already representing number of Air Liner GSA in Sri Lanka and couple of other Asian locations. We were approached due to the great friendships we were having with BOD of Acorn and other main factor was our track record in this sector with a strong focus on air freight. Together with our trailblazer, Mr Ashan Fernando with 30 odd years of experience in the industry, Fortiz hopes to expand our operations into Maldives, Thailand & Dubai.

Q Can you explain more on the Personalized Total Logistics of Fortiz and how it can raise the standards and provide cutting edge solutions while being a reliable service provider?

Fortiz will focus mainly on air freight exports & project cargo whilst offering other normal freight forwarding services. We belong to a couple of hand-picked networks around the world. Our customers have whatever salutation they need, maybe in Sri Lanka or in other countries, we can cater to their requirements. For example, there is a company here that wants to specialise service in Ethiopia, so we have to have strong partners who have a better capability of customs clearances as well as transportation in Africa. Despite the COVID-19 pandemic, our partners are still with us because of the trust they have in us. As an example, one of my competitors wants to bring down some items from China and due to the current situation in the country, most of the freight forwarders don't trust anyone in Sri Lanka. However, for us, the relationship that we have built has extended the trust of our partners. So, we could provide a seamless service.

Q How do you enhance a global support network in providing a total integrated solution in logistics offering air freight, sea freight, project cargo, cross trade

logistics, warehousing, and 3PL supply chain solutions through a worldwide network of agents?

70% of our business is Ocean Freight. We import around 500 containers to Sri Lanka for a month. Faced with the current situation in the country, we have started services that have not been exposed by anyone, which brings foreign currency to the country from freight activities. So, we always believe that our partners overseas are there to provide a service to our end customers. But we always focus on our strengths and our sales. We don't depend on anyone who gives us a combination or anything like that. What we do is, we provide our customers with the service for the requirement, mostly as I mentioned before and as well as if a customer has any requirement around the world, we can provide the service with our strongest connections around the world. Basically, for ASL/FORTIZ we focus more on a port-to-port business, but in our Thailand office we mostly focus on the cross border. We send cargo to Thailand then we send it via road to Myanmar-Laos-Cambodia. That's something we are specialised to do in Thailand. When we take Myanmar, mostly we provide Vessel handling - customs clearance and delivery side. For customers, ASL or FORTIZ would be a single window service provider be it in Sri Lanka or China, Thailand, Myanmar as we are a single network operating in several locations as 'one team'. We are lucky that some MNCs are following/extending their support to us in all these locations due to our concept. Beside our own offices, we are working with a couple of well reputed and screened independent networks and logistics giants having multiple offices worldwide. All these partnerships we are having are well matured as we interact with most of them for years, so these two combinations are one of our success factors in providing seamless logistics solutions.

Q As a successful company operating in many countries in the South and South-East Asian Region, how does the company seek to make use of the advantage of a diversified supply chain network and how do you overcome the barriers of cultural difference in order to provide a quality customer service?

We call it "Think Local – Act Global". We truly envision to become successful in all our endeavours. Two of my partners and I have worked and gained experience in dealing with people of other nationalities in the far East. When it comes to overseas stations, there will be only a foreigner along with a local Managing Director/Director at leadership team along with department managers. The local business will be fully managed by the local team who are the experts. The leadership team gets involved in development, setting up processes, benchmarking best practices, evaluation and setting of KPIs. Hence this blend enables us to gel with the team and have acceptance, rather than having foreigners at department head level where it may lead to conflicts in terms of over thinking, communication, acceptance, and wherever we are the priority, the respect should be given to the local team and for their thinking.

For BOD at ASL Sri Lanka / FORTIZ, a minimum of two BOD at each company either worked in overseas or living in overseas for a considerable amount of time and having really good understanding on people, culture and in-depth knowledge of entire supply chain in the countries where we are operating in. This is the right chemistry to win customers while providing solutions. Going forward, how we can be successful is by enlarging our coverage overseas as well, instead of only remaining Sri Lanka centric. We look at entering the market in the Maldives, Vietnam, and Indonesia in order to cater to a whole region in the future. Although ASL/FORTIZ are just another forwarder, what makes us stand out is our people, our overseas teams and in Sri Lanka.

Q How did the company come up with a flexible program to speed up the supply chain and minimise the negative impacts and disruptions caused by the COVID-19 pandemic?

Let me try to speak focusing on Sri Lanka at this point for better understanding. When it comes to our foreign stations/joint ventures we have different approaches in relation as to how the specific country policies and economy works. We focus on inbound Sri Lanka and there was a decline in volumes to Sri Lanka for imports,



“Decisions have to be made fast, especially in the field of logistics, if not we would lose out on an opportunity.”

but there was no massive impact as we are a company that focuses on inbound. However, for exporters, there was an issue, as production was not that good. In terms of inbound freight, our volumes reduced, but since we have an overseas office, they focus on cross-trade. For example, China-US, China-UK, and our Thailand offices focus on the cross-border. Thus, even though there was an overall impact we were not severely affected. In order to create an opportunity out of our problem, we decided on focusing more on cross trade, as even in the case of China, when it was struck by the pandemic there was no major decline in its production. Likewise, we started focusing on these markets and remained with the same customer base as it would have been a risk to form a new customer base in the given situation. As a result, we focused on providing a better service to our customer base. We aimed at giving them a personalised service by even going to the extent of personally going to shipping lines along with my partner and handing them over to our customers. We were also very

flexible with the requests of our customers, be it payment plans or anything at all. Even though our team had not got the opportunity to work 100% together inside the office as a team, since the day we started the company, everything went relatively smoothly for us as we had a very good relationship with them. Thus, we faced the challenges that COVID-19 brought to the company and made use of the opportunities that came along with it.

📌 How has the country's current economic crisis as well as the fuel crisis and sudden increments in fuel prices in the world market affected the company and what are the strategies that have been taken to minimise those challenges to maintain a stable supply chain?

The country's situation with regards to the US dollar has adversely hit the industry. Its impact is mainly felt by freight forwarders focusing on inbound, which is what we are. What happens is that, when we bring the freight from Colombo, it gets paid by the customers in Sri Lankan rupees and we have to remit US dollars back to our partners overseas which is a huge challenge. Since we don't go into the transportation and delivery side at the moment, we provide a port-to-port service for our inbound customers. We also do some forwarding for exports, but it is not of a considerable amount. However, the biggest challenge faced by our customers

is the fact that the government failed to give prior notice about the restriction of certain commodities. As a result, some cargo would have been loaded and brought into the port already. Thus, we managed to minimise the losses borne by our customers with the help of our partners. We also decided to bear part of the losses, as the cost of returning containers and cargo was huge. With the current situation in Sri Lanka, the media overseas paints a much worse situation. The people have lost faith in the country and are in doubt whether the country would be able to utilise its limited funds to pay debts. However, we have partnerships based on trust and which have given us concessions on credit periods. We have a slight edge because of the trust they have in us. As a company, we have pushed our sales to focus more on exports in order to have dollar income as the shippers bring dollars and we have to pay dollars to the shipping line. Going forward, we aim to balance our exports and imports. I believe the situation in the country would improve in the future with the current changes that have taken place.

However, as a person who has lived most of my life overseas, I must say that Sri Lankans tend to be short-sighted and have Islanders attitude. I always believe that as Sri Lankans, even when we are faced with challenges, we should always be positive, as it is our country. This is why I do not regret the decision of not returning to Hong Kong after coming to Sri Lanka before the COVID-19 lockdown, as we have the responsibility of facing the situations in our country. Going forward, I believe that the government will make efforts to bring back foreign exchange into the country. There is also a possibility that small companies would not be able to survive in the freight forwarding industry with the current situation in Sri Lanka. This has been a reason for our company to go overseas, where even being limited to Sri Lanka, Thailand and Myanmar is not enough. When following the steps of Mr. Hanif from Expo Lanka, we should utilise our expertise in such a way that enables us to have a presence in other countries as well.

Q What are the company's future strategies in plan to provide successful freight forwarding services to customers, de-

spite all challenges faced in the local and international aspect? Also, what is your message to undergraduates entering this industry at such a time as this?

We excel in 'know-how' & 'Operate in Difficult Markets'. The most important thing is how we overcome challenges. At ASL as well as Fortiz, when faced with a challenge we get our team together and talk to them and get their ideas and decide on a solution and strategy. It is important to share our experience with the most junior team members and also give them the exposure to go travel to other countries which would give them the opportunity to experience and respect different people and cultures. For example, when I go to China to meet suppliers, shipping lines or agents, the respect they have for one another overwhelms me as a Sri Lankan. Going forward, I believe that the exposure is important to work in this industry. It is also important to have a degree to motivate ourselves. My partners and I believe that it's also about how we support our team both in and outside of work. Here at ASL and Fortiz, we have an open-door culture where anyone can walk in and approach the management at any time. Most importantly, it is the decision making that should be considered. Decisions have to be made fast, especially in the field of logistics, if not we would lose out on an opportunity. As I have worked in a conglomerate for many years, we noticed that decisions take a lot of time due to the hierarchy, which is why my partners and I decided that making fast decisions would be better for the company. It is the same with the success story of Expo Lanka, as only one individual making all decisions.

Something I always have told my team is, that if you work in logistics and survive that period, you have endured one of the most challenging times of your life. In logistics, there are problems to be solved every day; thus, problem-solving says a lot about your character. I am confident that the situation in the country will improve and as for those entering the field of logistics, I would say that it is like a learning school which challenges you to work hard and believe in yourself and is the best industry to start your career and grow from there as this would shape you for an excellent future.

FROM CHAOS TO CONTROL MODIFICATIONS TO TRADITIONAL SUPPLY CHAINS IN THE NEXT NORMAL

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Remember the turmoil COVID-19 made when it initially broke out across the globe? Supply chains became front-page news with empty grocery shelves, long queues outside supermarkets and the international scarcity of crucial safety equipment. Having had minimal time to deal with the logistical issues resulted due to supply shortages, and demand fluctuations, many businesses were prompted to examine their operations and business strategies and were forced to alter their supply chains. In the other hand, it has created fresh prospects for post-pandemic innovation, expansion, and competitive advantage. Altogether, it has proved the value of linked supply chains in enabling firms to predict, perceive, and react to unforeseen circumstances while minimizing their negative effects. Hence, the outbreak revealed that the organizations should constantly remodel to push themselves ahead into a flourishing future.

A quite interesting fact that was revealed later when analyzing the hit to the supply chains by the untimely pandemic, which brought about multiple setbacks such as the stifle or even halt to transportation of resources and end products/ services, hampering production firms because of nation-wide lockdowns; was that the coronavirus pandemic did not particularly pose any new threats to logistics management. Instead, it only accentuated and expedited the unforeseen and obscure weaknesses that priorly existed in firms and their delivery lines.

Never did man expect that one corona case that emerged in Wuhan back in December 2019, to completely make 180 degrees change to the way of living or to the so-called normal environment we used to live in back then. The rise in the pandemic affected most markets and industries, thereby greatly affecting the world economy, only second to

the financial crisis in 2008. The shutdown of manufacturing bases and supply chains from China who undoubtedly holds a pivotal position in international trade, proved as a sudden blow on the other countries as it, affected their markets profoundly, even before the pandemic reached them. Nevertheless, once the initial shock faded, people and businesses began to develop new ways to get their day-to-day tasks done. Industries started implementing work from home mode where possible, and for jobs that require physical presence of the employees, social distancing, contact tracing, PPE kits, face masks and shields and other means were employed to ensure employees' safety. In addition to that, a shift in humanitarian logistics for relief goods was experienced towards new products such as vaccines and treatments that required cold storage, hence, cool supply chains came to light. Moreover, there might have been modifications by this

“However, it was noted that the risk management in the traditional supply networks and entities were centered around the economic position and stability of the entities or the hold-ups in supply chains, like limited scope of threats and challenges.”

pandemic, to the behavior and needs of the customers in the long run, such as retaining to making online orders and purchases, rather than the traditional method of visiting stores to buy goods. Thus, changes that were temporarily implemented to momentarily overcome the difficulties during lockdowns, might have to be continued even long after the crisis end. Thus, industries need a more holistic strategy to use this opportunity to not simply mend, their supply networks but revolutionize, so that they are able to not only overcome the previous pitfalls, while catering to the future demands.

So, what's next? What does the next normal have in store for the logistics industry? The

next normal is likely to give rise to a virtual and automated future, and therefore, entities must focus on building efficient, effective, robust, versatile and reliable supply chains which are compatible with this new era.

Day by day, the supply chains keep expanding and increasing in complexity, and so does the technology associated with it. Technologies such as Internet of Things, Artificial Intelligence, Cloud Computing will be used to increase efficiency and to gain competitive advantage in the next normal. For example, drone technology was used to deliver the necessary medical equipment to the doorstep of quarantined people within a minimum time, minimal exposure while lowering the transmission risk when distributing. Furthermore, linear supply chains are converting to large integrated supply networks, thus, linking numerous supply points throughout the world. This also improves their visibility. IoT devices such as sensors have been introduced to the logistics field, to ensure that the optimum environment condition suitable for the delivered goods is maintained throughout (e.g., transportation of vaccines need cold supply chain technology) and also, to track the movement of supplies in the delivery process in real-time. Therefore, firms intend to cultivate more digital supply chain professionals in the next normal by focusing on internal training and retaining and hiring external experts.

One particular aspect that was deeply in question among all organizations during the global pandemic was the so-called risk management and mitigation procedures. This was supposed to have dampened the sudden hit from consequences of COVID-19 such as nation-wide lockdowns, sudden excessive demand for relief goods, medical equipment, and crucial commodities and the shutting down of supply nodes on the disruption of hundreds and thousands of interwoven supply chains. However, it was noted that the risk management in the traditional supply networks and entities were centered around the economic position and stability of the entities or the hold-ups in supply chains, like limited scope of threats and challenges. Thereby, in the next normal, this scope can continue to grow



to incorporate aspects like preventive or mitigative actions that can be taken in times of interferences to trans-boundary trade and political, economic, social system failures on an international level.

Today's digital transformation may help businesses accomplish long-term rewards. Digital revolution in the logistics industry will assist the organizations in minimizing wastage cost and idle time, boosting effectiveness and sensitivity, enhancing adaptability of logistics networks, and ensuring survival of the supply networks and associated supply firms through precise predictions, fast shipping, and improved efficiency.

The next normal will seem to further boost the "Go Green" and environmentally friendly concepts that is currently being given preference to in most of today's organizational practices. Thereby, digitalizing parts of the supply chain, making accurate forecasts and real-time tracking of the delivery goods, and finding shortest delivery routes via advanced technological instruments and use of Just-In-Time practices will reduce the energy wastage, minimize waste due to defective or overproduction, and environmental impact it might have had otherwise. Thereby,

sustainable, and eco-friendly practices will be interwoven into the conventional Supply Chain Management through the Green Supply Chain Approaches.

Supply Chain and Logistics concerns that were there well before the corona pandemic were heightened in the last two years, thus, raising the importance of automation, transparency, robustness, and adaptability of supply chains to the forefront.

Each and every day people hope that things will go back to how it used to be. Individuals and organizations hope to not encounter another deadly pandemic in the future that would once again throw the entire logistics system into disarray. But is mere hoping sufficient to face and successfully conquer the next inevitable upheaval? Therefore, take this pandemic as an opportunity to dig into the existing weaknesses in the supply chains and turn them into strengths, so that if you face yet another untimely and unpredictable catastrophe in the next normal; you can transform them into profound opportunities and take absolute control of the chaos!

“THE DIRECTORATE OF LOGISTICS IS ONE OF THE MAIN ARMS OF THE AIR FORCE.”

Air Commodore Nishantha Thilakasinghe Director - Logistics - Sri Lanka Air Force

Interviewed by: Niroshini Karunartne, Hiruni Jayapathma
Photographed by: Mihin Pieris
Transcribed by: Hiruni Jayapathma

Q Sir, give us a brief introduction about yourself.

I am Air Commodore Nishantha Thilakasinghe, and I am from General Sir John Kotelawala Defence University, Intake 6. I joined the Air Force through KDU in 1988. Up to now, I have been working for nearly 34 years and presently, I'm performing my duties as the Director Logistics in Sri Lanka Air Force.

Q Can you give us an overview of military logistics systems?

Before coming into military logistics, it is better to get an idea about operational logistics. In general, operational logistics means the art of positioning men and material in a designated place at a given time to achieve the operational and tactical requirements of a particular event or an incident. It is something different when compared with other profit-making organizations. When we consider the operational logistics in relation to the military, there are three main levels of operations namely, tactical, operational, and strategic. Operation logistics mainly depends on the theatres of operations. When it comes to the Air Force the theatre of operations is the Air. In the Navy, it is the sea and in Army it is the ground. Whatsoever the theatre is, based/ depending on the higher authorities' requirements or rather national interest, we deal in all these places tactically, operationally, and strategically.

Q What is the Directorate of Logistics and what are the functions and responsibilities that fall under the Directorate of Logistics in Sri Lanka Air Force?

In the Air Force, the total process has been divided into several fields such as Engineering, Logistics, Defense, Electrical and Electronics, Construction, Medical, etc. The directorate of logistics is one of the main arms of the whole Air Force. When it comes to the directorate of logistics in the Air Force, it involves in the total procurement process. This process involves everything from a small pin to an aircraft. Therefore, you can imagine the extent of that process. All the procurement activities starting from a small pin to an aircraft will be handled by the directorate of logistics.

Under the directorate of logistics, there is a separate division called the Chief Procurement Division. It handles the procurement activities of the whole Air Force, not only logistical but also procurement actions of aircraft, fuel, lubricants, construction materials, electronics, vehicles, medical equipment, drugs, etc. Apart from the procurement process, we are also responsible for the administration of the catering functions of the whole Air Force and administration of explosives and fuels, starting from purchasing, storage, and distribution to the end-user, handling of air movement functions of the Air Force, and whole other supplies related to the Air Force personnel including uniforms, stationeries,



furniture, etc. All these things are handled by the directorate of logistics.

Q As the economy becomes more integrated internationally, most supply chains serving the country has become dependent on foreign suppliers and components. What are the initiatives taken by Sri Lankan Air Force, to reduce the dependency and encourage production in the country?

When it comes to purchases related to aircraft, there is no other way but to approach the foreign market because we do not have manufacturers, designers,

and facilities to carry out major overholds. Major overholds means, we need to carry out scheduled services for those aircrafts, after intervals of 50 hours, 100 hours, and 200 hours, and also based on their calendar life as well. If we consider an aircraft which the manufacturer has recommended, major inspection after 1000 landings has to be carried out, and then we have to send the aircraft for major overholds, inspections, and for other upgrading, to see whether the aircraft is serviceable or not. In the same way from the date of manufacture to the completion of 5 or 10 years of calendar life, these things (inspections) have to be carried out. These are not available within

in Sri Lanka. As the necessary equipment, resources to carry out these inspections are not available within the Sri Lanka.

When it comes to aircraft and aircraft-related components, repairs, and services, we are approximately 80% depending on foreign sources. But, with 71 years of experience, Air Force has established some levels of services and repair facilities within Sri Lanka with the aid of our own technicians, and experts in collaboration with other countries. For that purpose, we have a wing called Aeronautical Engineering Wing where we have almost all the facilities to carry out battle damages, routine services, repairs, and

repainting. Apart from that, when there are some small structural repairs, we have that capacity in Sri Lanka/ we have the necessary resources to carry out such repairs. At the same time, we have another facility called AOW (Aircraft Overhold Wing) which was established with the support of the experts in China, together with a Chinese company called 'Fatigue'. So, now we are in a process of carrying out major structural overholds of Chinese-made aircrafts but when it comes to the major engine repairs and repairs related to aircrafts' components, we have to send those items to China to carry out the necessary rectifications/modifications and repairs. Other than these major repairs, all

“with 71 years of experience, Air Force has established some levels of services and repair facilities within Sri Lanka with the aid of our own technicians, and experts in collaboration with other countries.”



the other facilities are now carried out by us. This has been started 5 years ago and operates at a good level at the present time.

When it comes to domestic requirements such as building materials, clothing, stationaries, and some ranges of electronic items we usually depend on the local market, and through that we are encouraging local suppliers. Moreover, even in the guidelines and regulations of the government tender, there is a special provision provided to encourage local suppliers, so that they can compete with foreign suppliers. We consider/promote the domestic preference, for example, if one foreign supplier quoted



10 dollars for a particular item and the local supplier quoted more than 10 dollars for the same item in SL Rupees, we would still give a 25% price advantage to that local dealer as he uses domestic resources to manufacture their products. We give that price advantage and evaluate both the suppliers. In that situation always the local supplier gets the price advantage over the foreign dealer.

❏ What is the SLAF's process for handling cost efficiency through strong relationships with suppliers?

Basically, the suppliers need to be paid in a very short period of time as it is their main interest. The other thing is they always expect justifiable or unbiased evaluations for their requirements, and they expect all possible details in documented form related to the quotations. When there are requirements, we give adequate publicity through newspapers as well as through the Air Force website. Therefore, anyone who is interested in that can check our requirements. At the same time, the tender



opening procedure is very transparent. They can attend and they can be present at the location when we open the tenders where we read the prices of almost all the suppliers who have quoted for that particular item. Apart from that, we give justifiable reasons for declaring/declining? or rejecting the suppliers to maintain transparency. When we call for the quotations, we give equal opportunities to almost all the suppliers. We make all the purchases according to the financial regulations while considering the limitations. At the same time, all the suppliers are given the opportunity by the government to register for their ranges at the Ministry of Defense. According to the shortlisted list, we send quotations for all the suppliers for a particular requirement through mail.

“In the air force, we have a separate direct trade system named as Command Information Technology Unit to handle all the developments related to digitalization.”

Q What are the new transformational efforts taken by Air Force in order to adapt to the new digitalized trends in to embrace the novel dynamic changes in the world?

The Air Force is always on the top of the market as we use the latest technologies, digitalized trends of all kinds of processes that are related to aircraft. We were the first to develop the EPAs system through which we could monitor each and every activity related to our purchases and documents. All the other systems and processes functioning within Airforce are on digitalized and electronic platforms. We have developed technically advanced facilities and networks on our own for monitoring processes and platforms such as USVs (Unmanned Aerial Vehicles). In the air force, we have a separate direct trade system named as Command Information Technology Unit to handle all the developments related to digitalization. We have achieved massive success, especially with our EPAs system through which in a

matter of seconds we can find and almost all the details related to a particular purchase.

Q With the rise of COVID- 19, Sri Lanka faced unforeseen disruptions followed by an economic crisis. What were the supply chain disruptions during the pandemic and what measures were taken to reduce the impact?

During the pandemic, there was a major threat to the domestic items in the Air force such as uniforms, beddings, boots, fuel, rations supply and building materials. When the country was fully locked down and all the internal processes were halt for months, we had to face some difficulties. By that time, as per our forecasting systems we purchased the requirements of next year by this year. Because of that, we had a considerable stock at hand through which we could manage most of our needs. As per the requests made by the government and health sector, and health sector, we had to build hospitals and COVID-19 treatment centers. Therefore, we had to utilize the resources in our stocks to provide beddings and other health-related items for these treatment centers as well as hospitals. Somehow, we took it as a lesson to be prepared for any kind of situation that may arise in the future.

Q On a concluding note, as for your opinion, what kind of a future do you foresee in/for airborne Logistics activities?

As we all know, the main task of the Air Force is to keep the air assets and machines. For that, now we have started several procedures to overcome issues such as AOW (Aircraft operation wing) and two engineering wings AEW (Airborne Early Warning) and ASW (Aircraft Servicing Wing in Ratmalana). We have started to acquire (from whom?) a Russian type of major overhauled facility at Vavuniya and Mattala which is still in the negotiation stage. If we achieve that we will be able to have both the Chinese and Russian overhaul facilities because most of our fleets consist of Russian and Chinese build air crafts. We will be able to take care of the jobs on our own with the available facilities and with a set of expertise and technicians inside the Air Force.



ACTION PLAN FOR RESILIENT SUPPLY CHAINS IN THE NEXT NORMAL

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The COVID-19 epidemic began in China in December 2019 and it spread all over the world within a short time period by converting it into a global pandemic. This was more than a health crisis and affected the global economy severely. Economic experts identified it as an imminent reorganization of the international economic order. There were lots of financial and operational challenges which organizations had to face. For the logistic systems this impact of the pandemic was prolonged, and it provides some valuable lessons for the future management. Owing to this pandemic, the demand and supply were being hit across the globe, and it makes it more difficult for all the organizations around the world to implement their prevailing resilience strategies.

The global supply chain runs as an interconnected network. In the previous

crisis situations, the global transportation systems were able to adapt by adjusting rapidly to the varying demand. It is because earlier pandemics made less disruptions in supply chains and they had limited geographical extent. But this time most of the logistics networks were not able to overcome the challenge. As a result of this crisis, the air travel industry collapsed and because of that more than half of the global air cargo capacity was taken away from the markets. Also, ports were closed for a long time period and the absence of the labourers made the situation worse. Logistics companies who provide trucks and make the distribution among the land/ carry out the distribution process in land also struggled because of labor shortages.

The post-pandemic era is called the next normal by WHO. It will create a new

economy and systematic landscape to the world. This next normal will be the era of resilience in the supply chain because day by day novel challenges are arising and to fight with them, resilience has become a vital necessity for the organizations. In this post viral era the economic sector will witness an unprecedented new reality along with dramatic restructuring of the global economy. Resilience is a major part of the supply chain which provides the potential to traverse the changing supply chain disruptions with remaining skills. When considering a company, resilience is the capacity to face the problems and overcome them without having a huge impact on the company while maintaining the operations regularly.

“Resilience is a major part of the supply chain which provides the potential to traverse the changing supply chain disruptions with remaining skills.”

In future, keeping the product designs steady and staying in the market won't be an easy task. Therefore, organizations should be more flexible when dealing with the customers and always try to redesign the current product or innovate new product with the engagement of new technology. According to Ian Davis people cannot forecast how long the crisis will last and what we would find on the other side will not look like the “normal” of recent years. Since no one can predict the future of the supply chain sector, many organizations tend to invest large amounts in analytics and visibility while practicing feedforward control systems. Developing supply chain resilience within a company by preparing a business continuity plan is a key factor. As the main goals of this plan following facts should be considered.

- » Maintaining multiple sourcing options
- » Recover as much as earlier without impacting customer delivery timelines
- » Supportive continuity plans
- » Build up high levels of supply chain agility to maximize production

There should be specific strategies to improve this supply chain resilience which makes the company continue smoothly despite the disruptions while safeguarding the production capacity with good maintenance of technology. Furthermore, there is a significant factor in supply chain resilience strategy, which is to maintain the ability to meet consumers rapidly moving requirements at the high standards within a shorter time. It is because all the logistic companies in the industry have a limited time duration to address and adapt to the logistic interruptions. Although they have to keep their employees and suppliers safe, some government policies make this supply chain weak.

In building resilience in the supply chain, the first step should be preparing the drive change which makes the entire process more agile and flexible. Global crisis is a huge threat to the supply chain but on the other hand it reveals the weaknesses of the network. Previously more than 80% of supply chain companies struggled with the implementation of novel technologies but this crisis pushed the organizations to use more smart digital technologies. There was a great transition from physical activities to online and technological activities. Also, organizations planned to invest more on IT applications and implant new technologies (Ex: ERP Systems).

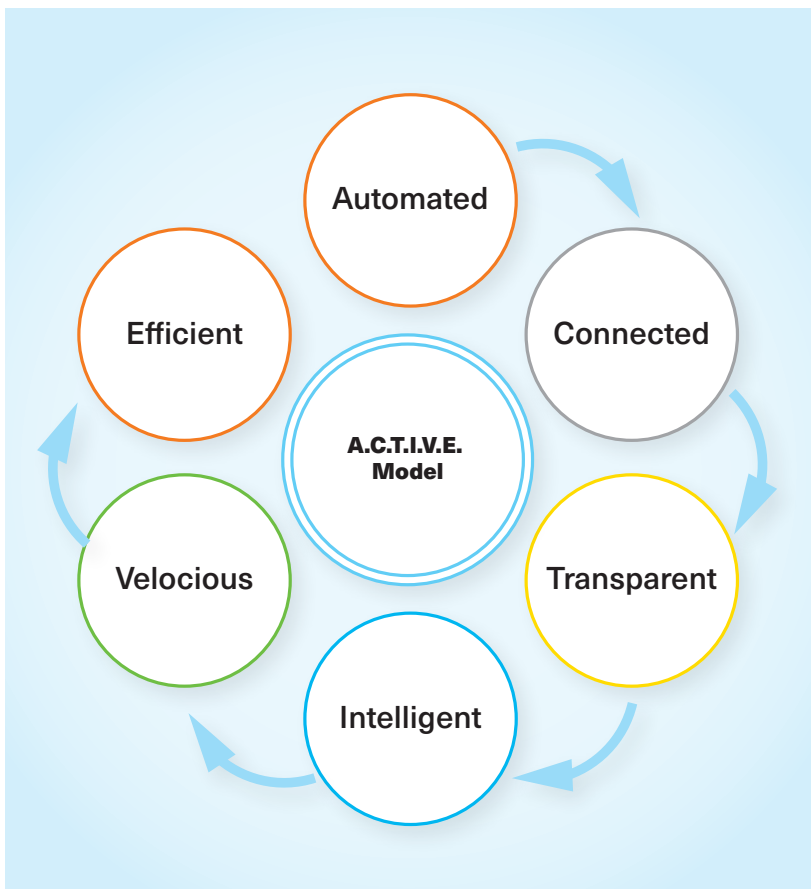
Some organizations have been prepared well for the future crisis. In resilience, supply chain preparedness is the best solution for crisis management. When it comes to disasters taking preventive actions and mitigating them is the least cost method rather than responding to them. This concept is most regularly applied for supply chain resilience too.

Supply chain sector needs to maintain good internal and external communication among the parties. This should be improved further in future because when managing an unexpected crisis, regular and open communication is a must for this area. Therefore, in the supply chain resilience plan significant space should be available for the advancement of effective communication.

When a problem occurs, nearly all the internal stakeholders are to be pressurized due to the situation. In a supply chain resilient plan, organizations should be concerned about the physical well-being of the employees as well as the mental well-being. This issue was commonly seen during the last pandemic situation. Due to social isolation a lot of employees struggled with mental illnesses. Therefore, it is vital that priority is given for the emotional resilience of employees and managers.

There are several actions that can be taken under this supply chain resilience to reduce the vulnerability of preventing financial losses. They are, reducing the complexity of production process and distribution processes, increasing the diversity of products while rationalizing them and depending on circular supply chains at high levels. Maximizing the logistics workforce will ensure the stability of the supply chain.

There are short-term actions and plans as well as long-term actions and plans which can increase the supply chain resilience. Management can prepare well defined risk mitigation and risk reduction strategies using afore mentioned short-term and long-term objectives. They will help to cope up with the upcoming obstacles while improving the recovery capabilities. All those strategies will make the global supply chains more resilient and stronger. Since all the short-term problems exist for a small and fixed time period, finding solutions for them is not that much challenging. But when it comes to the long-term problems, they can make a huge impact on the operations. Those impacts also can be carried on for



a long time period. To find the appropriate solutions for long-term issues following A.C.T.I.V.E. models can be used.

By building up a robust supply chain intelligence, organizations can identify the problems at an earlier stage. Then risk management teams can come up with suitable solutions for rising issues and prepare the employees for the unprecedented future. Practicing above mentioned actions within the organization will aid in laying a strong foundation for Supply Chain Resilience to face the next normal.

Figure 1: A.C.T.I.V.E. model to build supply chain resilience
Source: Author (2022)



**“NOTHING COULD BE
ACHIEVED WITHOUT
HARD WORK
AND SMARTNESS.”**

Mr. Niral Kadawatharactchie
President/CEO - Freight Links International (Pte) Ltd

Interviewed by: Rushan De Silva, Udul Kalapuge, Malith Lushan
Transcribed by: Lihini Seneviratne, Rushan De Silva
Photographed by: Mihin Pieris

Q Can you briefly explain about yourself, your working experience, and your career journey?

I was a high school dropout and back then when I was in school, I had my close circle of friends. There were ten in our gang and nine went to university, but I was a dropout, and I was wondering what to do with myself. Out of that nine, five went to the Engineering faculty at Peradeniya and four went to medical college. My biggest concern was, "What would I do when these guys get graduated and become real-life doctors and engineers?" It frightened me that I would be a social misfit, so I thought that I must do something. One of my friends told me that he had a good job offer for me, and I asked what it was. He told me that I could be a radio officer on a ship because those days in cargo ships, there was a position for a communication officer, and the mode of communication was the morse code. Radio and Telephones were also used for some communication purposes, but they could only be used at a shorter range around 30 nautical miles. I sailed as a radio officer for six years.

After six years, I realized that it wasn't the life I wanted for me, then I came back and joined John Keells as a management trainee. John Keells hired management trainees for different subsidiaries, and I was posted to a freight forwarding company. I became a freight forwarder and a logistician by absolute default, not by choice. I needed to have some status in life and joined Mack International Freight which is a subsidiary of John Keells. I had a pretty good growth there, then I resigned after six years because I was thinking about the way I was engaging in my work, I thought I should work for myself, not for somebody else. I quit John Keells and I was hanging around a while until I figured out the best option for me which led me to co-found this company with my partner thirty years ago.

Q It is evident that you have vast experience in working in different fields in different companies. But, as we all know,

normally people are hesitant to quit their usual working patterns and start something new. How do you explain this in relation to yourself?

I always like challenges in life. I think I took a big risk by quitting John Keells, I quit John Keells and thought I must do something for myself. First and foremost, I had confidence. I did not know what to do, I had no major vision or mission about what I was going to do. I did not have plans on my drawing boards, but I had the confidence that I will make it. I thought of becoming an entrepreneur not an employee in the corporate sector because I came from a corporate background as I worked at John Keells and also, of course, I had a different feeling due to my family as my grandfather had been a businessman. I had family members doing businesses. The entrepreneurial blood would have been in my genes. I started it and it went well. Anyhow nothing could be achieved without hard work and smartness. That was my reason for venturing out and becoming an entrepreneur myself.

Q Tell us about the inception of Freight Links International and its growth so far?

We started the company in June 1992 with four people including two of my colleagues, my partner, and myself. Now we have about 500 employees working, and our group turnover is around 200 million dollars per year. It was indeed a long journey. The growth of the company took place during the first 10 years. Thereafter, we were struggling to maintain the growth because there comes a point where you cannot grow any further because when the company grows more than the market, you need to stop it somewhere. Either you stop it by choice, or you get stopped by the market forces. There was a time we could not grow further and were facing a loss in the business as well because this industry is very people-centric. Sometimes, people, whom we have been depending on a lot such as salespeople, leave and they take our customers along with them. Therefore, we had to find strategic ways to recover from such losses. Now, we are in the maturity stage of the

organizational life cycle because we cannot grow anymore due to the current economic downfall/ circumstances of the country.

Q As per your experience and knowledge what do you think about the operational efficiency of the overall logistics industry in Sri Lanka?

I am not happy with the operational efficiency. Logistics is an important industry for the economy of the country, but nobody has really paid adequate attention to it. Everybody talks about it, but nobody acts upon it. There is a lack of effort exerted by any government that has been in power so far, to set up a real logistics platform in Sri Lanka. The Potential of Sri Lanka is unbelievable because in terms of logistics we are the steppingstone to a consumer market of 2 billion; when you consider the overall population range of India, Pakistan, and Bangladesh it is in the range of 2 billion. That is the potential of Sri Lanka. Sri Lanka could be an ideal platform to supply to these countries. Colombo could be used as an ideal and a fantastic platform, but the only thing that has really happened is that Colombo has become a transshipment port. It has evolved automatically because of the pressure from global shipping lines. For every project that has been done in the

port, we were behind. For instance, if we consider the development of the two new port terminals at the Port of Colombo; South harbor development is twenty years behind. Currently, the capacity of our port is around 7 million TEUs, which is fully optimized at present. Even though we plan for six years we reach there in three years, our planning process has a big issue. Another important thing is that the government policy framework for the logistics industry is very poor. The government needs to set the policy framework in a manner the private sector we can perform. No government has set up a proper policy framework for the logistics industry in Sri Lanka. If we consider Singapore and Dubai, both these markets have come after Colombo. Since we are slow-paced in doing things and due to our lack of vision, we are lagging and not growing enough, and we haven't grown to our real potential.

Q As a leading and well-reputed company in the logistics industry, how do you use technology in an optimum way to increase the efficiency and effectiveness of Freights Links International?

Nowadays, businesses are run via a smartphone because our lifestyles are digitalized. We are automated beings who are



running on an Enterprise Resource Planning system (ERP). Through the implementation of ERP, everything is automated from the time you receive customer information until the invoice is printed, the bill of lading is printed, the airway bill is printed; the whole process is fully automated. Without a smart automated system, we cannot survive because the rest of the world is going that way. In other words, use digitalization to its maximum. It is very important to have a fully digital platform when running a company of our size. We have continuous improvement programs to upgrade the ERP system to suit the current trading environment. We have a chief information officer and a specific team to identify the changing environments and improve systems continuously.

Q As a freight forwarding company, what were the major challenges faced in customs clearance, shipping line coordination, warehousing, and inland haulage with the outbreak of the pandemic?

The whole lifestyle was disrupted due to lockdowns and other restrictions. The industry was disturbed quite a lot, but I think the freight forwarding fraternity fit into any bill. That is the beauty of this industry. I think a lot of companies did not really pay attention to this pandemic, and they just went with

“Freight forwarders are very good at adjusting themselves to any condition, they adjust very quickly.”

it. The only issue was the government restrictions. However operationally, we managed, and we served our customers to their satisfaction; that does not mean that we did not have our problems, but we managed by setting new standards, new rules, and new ways of working. Freight forwarders are very good at adjusting themselves to any condition, they adjust very quickly.

Q On the same note there were some emerging logistics trends in the world, such as the use of autonomous vehicles and 3D printing to produce products on-demand, AI applications, and the use of lock joint technology integration. Are these new trends being adopted in Sri Lanka’s logistics industry?

Even with digitalization, we are far behind. For example, in Singapore, you can use your smartphone and purchase things; a smartphone is like a credit card. Before you go to 3D printing, you need to do the basics. There was a time when the technology



increased rapidly from 3G to 5G, but I think now our process has got slowed down for some reason. At one time, in this South Asian region, we were better than countries such as India, Pakistan, Bangladesh with our mobile communication and in digitalizing communication. Suddenly, I think we are not there now, maybe because we didn't continue the process. You need to have a continuous development plan for anything. Before talking about AI, 3D printing, machine learning, and all that, we have a lot more to do to get there. At the moment, achieving all these things that we discussed seems like a pipe dream. We are still not there but we would like to be there. I think before we get to that point, we need to cross the bridge. Unless you cross the bridge, you can't get to

“Life is a give and take. You give something and in return, you take something, the same goes with the employees and employer.”

the other side. In our situation, we are yet to build the bridge. I think we are in the process of building the bridge now.

Q One of the major assets of an organization is its employees. In the next normal environment, what strategies do you intend to implement, in order to inspire them and achieve the goals of the organization?

One area I am very keen on is training and education. We continuously give training and education to our staff. We train them and send them to different kinds of training programs. We give them financial assistance for higher education. Life is a give and take. You give something and in return, you take something, the same goes with the employees and employer. We go ahead and do a lot of things for the employees, and they must contribute to the company in return; then only the company grows, and it is a two-way process. The development of human resources is the key to develop a company because we are a people-centric company.

Q What are the measures we could take as a country to move forward as a major transportation hub and to be competent with the rest of the world?

Sri Lanka is a country which is in a strategically advantageous position. We have been talking about the importance of its geographical location, but we have not really done anything about it apart from developing the port. The most important thing is to get our policy framework done. Trade is the key to development in Sri Lanka. Our trade patterns have not improved to meet the requirements of the country. We need to have export-led growth. We always have a big deficit in the balance in our budget because our import bill is higher than the export bill. One thing to do to get the country out of the current economic problems is to have export-led growth. We must have a proper policy framework to improve the efficiency in doing logistics. When doing logistics, our performance is measured using performance indexes, such as the Logistics Performance Index. I once asked the World Bank why our rating was lower than that of India, Pakistan, Bangladesh, and even the Maldives. I believe in practice, we do logistics and we do it better than those countries. According to them, it was because our use of ICT in logistics was very poor. Many freight forwarders in Sri Lanka do not use ICT to a maximum level. In India, everyone is connected, and they have a very good system. For example, if you want to do customs clearance in India, the system is available for everybody. We have not been thinking in a structured way about how to get there.

I may even suggest setting up a Logistics Council in Sri Lanka because the logisticians do not get together and talk here; we are scattered everywhere. We have the Chartered Institute of Logistics and Transport (CILT), the freight forwarding institute, and so many similar associations. But we do not have a central body like the Logistics Council of Sri Lanka. I think one thing that I would like to see in the future is a Logistics Council which is led by qualified logisticians.



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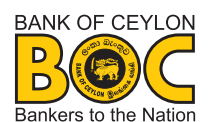
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“ Those in the supply chain know the impossible is possible. ”

Dave Waters

IMPACT OF COVID-19 ON THE FOOD SUPPLY CHAIN AND THE FOOD SAFETY IN THE NEXT NORMAL

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Many countries face issues in the post-COVID-19 era as the COVID-19 disease spread rapidly in many countries worldwide, challenging the global economy. The COVID-19 pandemic has caused a severe impact and damage in numerous sectors of the countries. The food industry of a country is significant, and it is directly connected with the country's economy. The food supply consists of a chain of stages that is diverse from the level of agricultural production to consumption. Each step of the food supply chain is important and they are strongly connected to each other. The stages can be identified as agricultural production, harvesting, processing, distribution, and consumption. COVID-19 has greatly impacted the food supply chain and food safety.

Employees at the agricultural level as well as in the high-scale food factories play a vital

role in the food supply. When considering the employees' health, it is a challenge to supply protective equipment such as gloves, proper face masks, shields, and protective helmets to all the employees. And also, sanitization of the working environments regularly is highly costly and it is a challenge to achieve. Employees face difficulties maintaining social distance in the food preparation process, storing, and distribution. As most agricultural production is based on the weather, the process of food production has to be well planned. If the early stages of food production are delayed, the whole process will be interrupted. Most governments had to impose restrictions on traveling between the cities, provinces, and countries due to the COVID-19. So, most of the employees were unable to reach their working places, and it made a loss of efficiency in the process of food production due to the lack of labor. Traveling in the public transport system is also a factor in spreading COVID-19

“The food storage facilities should be given closer to the food production grounds. That will be beneficial for the farmers as well as for the food producers when considering the time, money and safety of food products.”

among the employees. When there is an interruption in supplying the fertilizers for the crops, it negatively affects the quality of food. When the stage of food production was interrupted, small-scale farmers and high-scale food producers did not have any other choice but to destroy their products by burning or leaving the crops. With the restrictions imposed in the countries, the buyers were reluctant to visit the markets, restaurants, and hotels as it was a risk with the rapid spread of COVID-19. When food production or distribution was interrupted, the raw materials and food products that are unable to maintain quality and freshness such as milk, fruits, and vegetables were wasted in significant quantities in many countries, causing a huge economic crisis. And also, these factors created a shortage of food production in the markets, which made a demand for specific food items. The low-income consumers faced difficulties in supplying their food when the price of food production increased. So, the farmers too, faced challenges in selling their food productions. The whole process of the food supply chain and food safety was severely impacted as a cycle.

As most countries around the world are in a struggle to overcome the economic crisis of the COVID-19 pandemic, there should be a proper process to overcome the struggle and move on with the food supply chain. If the whole process of food supply can be well planned with a developed network, it will make a considerable change in the food supply. From the farmer to the consumer should be coordinated by a well-organized process. The data should be



collected and maintained in communication from the smallest unit of the country. If the farmers' products are bought from villages at a reasonable price, the quality and the freshness of food production can be secured. The farmers no need to bear the cost of transportation to the cities. So, the farmers are not a risk of meeting the COVID-19 affected buyers as well. And also, the governments can consider supplying funds or loans to the low-income farmers and the high-scale food producers for investing in food production. The food production stage must be given a prominent place as food production is the most important stage in the food supply chain. The new technological knowledge should be supplied to the farmers to increase food production. Training sessions for the farmers can be organized in each village to enhance the farmers' knowledge, including novel and efficient methods in producing seeds, planting process, harvesting and storing food productions safely with modern storing facilities.

The food storage facilities should be given closer to the food production grounds. That will be beneficial for the farmers as well as for the food producers when considering the time, money and safety of food products. If these food stores can be coordinated with



a proper network, a system can be arranged to communicate with buyers closer to certain food stores. That will be beneficial for the buyers directly as well as for the food producers who seek raw materials for their food manufacturing factories. In finding a solution for the employees who face difficulties in traveling, it can be suggested to train the local employees from the village context itself. That will be helpful to develop the professional skills of the villagers. This process also provides a way of increasing the income of the villagers by providing employment closer to their residents. Each member in the food supply chain should be given importance as each stage of the food supply chain is connected as a link. If the contribution from the farmer to the consumer is presented in a well-organized process, the countries will be able to get the maximum benefit of the process. The government and the private sector can join together in this process as the private sector plays a vital role in food-producing and distribution.

While the necessary steps are taken in order to strengthen the food supply chain, it is imperative to take the steps required to minimize the wastage of food products. The family, considered the smallest unit of society,

must pay attention to this matter. Consumers must use the food products carefully to create a shortage of food products in the market. The extra food should be well stored or used as an alternative food product.

And also, the employees' health conditions should be well-maintained to restrict the spreading COVID-19 among the employees. Furthermore, using robots or machines in the process of food production must be considered as it is a difficult task for the employees to maintain the social distance inside the food-producing factories or agricultural ground as each step is connected and the contribution of all the employees is required.

Many countries worldwide struggle to overcome the financial crisis that occurred due to the COVID-19. Numerous sectors in the countries were severely affected. The food supply chain and the countries' food security are significant as it directly connects with the country's economy. Therefore, it is very important to take the necessary steps to strengthen the food supply chain and to ensure food safety in the next normal.

“WE ARE MANAGING OUR SUPPLY WITH THE DEMAND SUCCESSFULLY, IMPLEMENTING SOLUTIONS TO THE RISING ISSUES.”

Mr. Prabhath Janaka Hettiarachchi Head of Logistics for Ice cream, - Ceylon Cold Stores PLC

Interviewed by: Kalpa Chathubhashini, Hiruni Yapa
Transcribed by: Chamod Nilushanka, Ransuni Thilothma
Photographed by: Nethmi Ariyadasa

Who is Prabhath Hettiarachchi, and how has your corporate journey been so far?

I started my career as a trainee in Coca-Cola beverages Sri Lanka Limited and received my confirmation as a Warehouse Executive after three years, and then I was promoted as an Assistant Manager Warehouse and I was responsible for the entire Warehouse operations. I worked for Coca-Cola for about fourteen years while experiencing exposure to multinational culture. Then I got a chance to go to Vietnam (Ho Chi Minh City) for a 6-month period and learned about WM & SD modules in SAP ERP system. I was trained as a Module Coordinator for the warehouse management (WM) module. My life was changed during my tenure at Coca-Cola, which was a great start for my career. As my first career, Coca-Cola helped me to learn about Logistics, Warehousing and Distributions by giving more training opportunities in local and foreign institutes. Finally, I could become a veteran in logistic and supply chain operations. Then, I moved to JAT Holdings as a Logistics manager as second job in my career and supported them to implement the S & OP (Sales & Operations Planning) system, to start S&OP meetings, S&OP processes, develop MRP (Material Requisition Planning) for their productions, and optimize the warehouse process as well on optimal cost. I worked with JAT Holdings

for about one year. During that time, I got an opportunity in Heineken Lanka, a multinational beer manufacturing company. I worked with Heineken for nearly 2 years, managing the entire logistics operations including raw and packing materials. I involved to manage logistic functions in all the company depots, finished goods warehouses in the factory, internal and external warehouses where were used for packing and raw materials, and chemicals store. I was able to reduce their operational cost by 5 million per month by changing the previous processes and introducing cost saving initiatives in logistics operations through successful teamwork.

There was a method for Excise fine called Technical Crime Report (TCR). If there is an issue of violating rules in a warehouse or logistic operations, the fine is one million rupees of minimum charge. During my period, there was no single TCR. I worked closely with officers in the Excise Department and commissioner during the time, and I believe people management is not a subject and it is an art, that is common for each management level starting from operational level to top levels. I know how to convince people about things in a way they could understand although they do not have knowledge of the logistics operations and strategic level targets. I used these



techniques during my work at Heineken. Then I got an offer from Ceylon Cold Store as Head of Logistics, I initially joined as the Head of Logistics for the soft drinks and ice cream. Recently, the top management in CCS changed the scope and handed over me the position of the Head of Logistics for ice cream. Currently, I am managing logistic operations in two factories, one is located in Ranala and the other one is located in the Avissawella BOI zone. I love human interactions. I love being in social circles where we get to talk and interact. Given that this is a job that calls for teamwork, I am sure that my love for human interaction comes in handy. It helps me bring people together on a common goal, listen to their grievances and help them work on solutions. I believe that technology plays a vital role in logistic operations, therefore by adhering to logistic 4.0 we are able to achieve targets and goals in logistics in an effective manner while keeping good visibility in the operations.

📌 Ceylon Cold Stores (CCS) was able to take home the Gold award in the ‘Confectionery and Beverage Products’ category in the National Chamber of Exports (NCE) awards ceremony in 2021. How do you provide an introduction to CCS and its remarkable success throughout the past years?

In CCS, the management always motivates us to do new things and innovation as part of company values; we have a research and development team who always tries to introduce new products to the consumers because customer demands, and choices vary all the time in the world. Moreover, CCS comes with limited-edition production (LEP) for peak and seasonal demands (Christmas / Local new year and Ramazan). We mainly export our products of ice cream to Maldives and soft drinks only to a few countries. We have a co-packing manufacturer in Malaysia for canned products, therefore, we export some products to some Middle East countries through Malaysia. We cannot sell ginger beer in Middle East countries as beer refers to

alcohol, therefore, we sell them as Ginger Bev. We have another factory in London which is a co-packing factory, where the essence is sent for production and products are distributed in European countries.

Q CCS introduced a new Distributor Management System (DMS) recently to enhance distribution efficiency in the Beverages and Frozen Confectionery business. How does this digitization help to improve the sales of the company?

We have a digital software company under the John Keells corporate umbrella. Therefore, if we need to implement something, we can get their support without any tiring effort. Initially, we used DMS for customers' order processes, they just enter their requirements, and it comes to the company portal, then those are uploaded to the SAP system. We are using the sales and distribution module (SD Module in SAP) to create the sales orders. Recently we implemented a system called surge; with that system, they can place the orders, they can show their monthly achievement and remaining volumes, likewise the currently used DMS has many features compared to the initially implemented system. DMS is not only used for ordering the requirements, but they can also check how many have been sold in a monthly target and what are actuals against the planned targets.

Q What are the reasons behind the use of Returnable Glass Bottles (RGB) in the

beverage industry and how does Ceylon Cold Stores (CCS) manage the reverse logistics system concerning RGB?

As you also know, lots of countries have banned plastic usage now. Especially, when exporting our products to European countries, they only accept glass bottles because they have a definite percentage of plastic usage inside the country as they have a system to manage environmental pollution and such issues. But in the Sri Lankan context, the reverse logistics systems are very simple in CCS because the dealers have purchased their requirements, and they come with their trucks and return the glass bottles and collect the finished goods (RGB). That's how the reverse logistics system concerning RGB works in Ceylon Cold Stores.

Q CCS is identified as a reputed global brand in countries such as Australia, Japan, France, India, Italy, etc. How does CCS plan to continue contributing to the export revenue of Sri Lanka?

Actually, the export volume is minimal in Sri Lanka. For example, if I mention about the containers and shipment for the ice cream category, we only export six containers per month, and that one container volume is around 25,000 liters and total export volume is a very small amount compared to the local sales. In addition, we are leading the ice cream category in Maldives. But soft drinks exports are significantly less compared to ice cream. Only about 2 containers of soft drinks from Sri Lanka are exported, which is a very small amount.

Q How do you define green supply chain management, and what measures have been established to set a green supply chain at CCS from the point of origin to the point of destination?

I should say that CCS is an ISO-certified company and committed to practice a proactive Safety, Health and Environmental (SHE) policy, has obtained SHE related certificates. With the green supply chain, we try to mitigate the effect on the environment. For example, as a part of the green supply chain management, we have deployed battery-operated Forklift trucks for Finished goods Warehouse operations (Soft drinks). Furthermore, there are solar panels fixed on



the roof of the Finished goods warehouse as a Renewable Energy solution.

Q Many businesses faced economic challenges due to the depreciation of the Sri Lankan Rupee against the US Dollar. So, how did Ceylon Cold Stores (CCS) deal with this situation as an international trader?

We have supplier agreements for raw and packing materials with the traders and suppliers, therefore we could negotiate with them and get a better rate in this difficult time but there was no solution for the increased freight charges. Therefore, we had to go for price increases on our finished goods and manage the increased costs.

Q CCS launched new variants of Frozen Confectionery and carbonated beverages during the pandemic. What were the strategies implemented to deal with risks when introducing new products at such a crucial time?

As I mentioned earlier, we focus on customer choices in an innovative manner and give the best products to the consumers to fulfill their requirements with good selection. We have an annual line up plan for new product developments (NPDs). We introduced new products as per those NPD plans even there is a pandemic because we could not see a demand reduction in pandemic. There are R&D department and sensory lab in CCS to support NPDs. As you know, even though there is a pandemic situation in the country, we observed that people like to enjoy themselves, especially during the Christmas and local new year seasons. With that, we launched an LEP version, Mixed fruit ice cream, in the new year season. We launch that kind of LEP version only for the seasonal demands.

Q What are the lessons learned during the pandemic period, and how does CCS plan to make supply chains resilient in the future?

When we got to know about the COVID-19 pandemic in 2020, we understood that there would be a problem with our supply. At that time, the top management decided to keep the extra stocks in the factory premises



as well as in the external warehouses. We purchased our essential raw materials like sugar and other ingredients and kept those raw materials stored in the factory as well as in the external warehouses. However, we are managing our supply with the demand successfully implementing solutions to the rising issues.

Q On a Conclusion note, what would you suggest to improve the industry of logistics and supply chain management in Sri Lanka?

In my personal belief and according to my experience in the industry, the Sri Lankan government does not give much support to the companies. But in countries like Malaysia, they follow a one window method in which they know how much raw material is coming and about the production output. If some product is manufactured in Malaysia, the government will purchase it, keep the stocks, and sell that product, making the government a central hub. There are departments to manage their raw materials, unlike in Sri Lanka.

But unfortunately, in Sri Lanka, there is no such institute or department to ensure the company's raw material requirements. Therefore, I believe that getting loans and managing the situation is not the thing that should happen, and the government should support both private and government sector companies for production. The government can do research with the R&D departments in other countries to check suppliers and supply chains, performing unannounced audits, and informing the companies about the future risks will also help to ensure the process of maintaining a constant supply while minimizing the pertaining risks.

Running out of stock



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RUNNING OUT OF STOCK

LEARNING

READY

Order Pick Time
01 : 00 : 00

Order Pick Time
00 : 25 : 00



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Order Pick Time
00 : 00 : 00

Order Pick Time
01 : 30 : 00

READY

Order Pick Time
01 : 00 : 00



Out Of Stock

Out Of Stock



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“ Deep learning will revolutionize supply chain automation. ”

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Dave Waters



“RESILIENT SUPPLY NETWORKS FOR ECONOMIC CHALLENGES IN THE NEXT NORMAL.”

RUMALI SAMARAWICKRAMA

Undergraduate
General Sir John Kotelawala Defence University,
Ratmalana



A supply chain is a series of activities performed by an organization to transform raw materials or elements to finish off goods or services ultimately delivered to consumers. These supply chains can be subjected to disruptions in many ways, such as unexpected market trends, sudden industrial competitions, changes in supplies and buying patterns of customers, global disasters, etc. When considering global disasters which impacted supply chains, the COVID-19 pandemic is significant. COVID-19 is impacted not only by the health of people but also by the global economy.

The pandemic opened paths to modernize each field with developing technologies and to rise with new capacities to face the next normal. However, as the pandemic impacted global economy severely, the field of logistics was also impacted. Local and global travel

restrictions and lockdowns imposed during the pandemic reduce the performance of supply chains by slowing down and sometimes stopping the continuous flows of raw materials, other elements, and finished goods, which ultimately disrupt supply chains. To secure the sustainability of the businesses and supply chains, companies must thoroughly foresee the obstacles that may arise during the recovery process, to establish suitable strategies to overcome them.

Developing resilient supply chains is an important strategy to minimize the above risks, manage the current situations, and prepare for the next normal. Resilient supply chains are developed to perform more than just resisting and recovering. They are constructed utilizing processes and contemporary supply chain technology that enable them to estimate, look forward to and adapt promptly to whatever threats or

“Industry 4.0 and digital transformation technologies are some of the vital technologies applicable in supply chain operations across the world. Artificial Intelligence (AI), industrial IoT, machine learning, robots, autonomous things, and modern data bases are significant techniques that use those technologies to modernize supply chains. ”

opportunities the future may present. This refers to supply chains that can withstand and prevent the effects of disruptions in the supply chain. Therefore, resilient supply chains are more safe, transparent, cost-effective, and attentive to consumers' changing demands and values and have strategic capabilities in management and risk-sensing enhancements.

During the post-pandemic era, supply networks became more complex with operational challenges. To face and react to those issues successfully, organizations must pay attention to the performance of supply chains as they will no longer exist as before the pandemic. So, the businesses cannot easily transform to a new phase of operations with the next normal. For that, they must address some critical issues related to demands, supplies, warehousing issues, transportation aspects, and operations in the working places. Having more differentiated manufacturers and connecting with supplies from numerous sources will help supply chains be more stable within the industry and redesign their objectives across the resilience. When considering the recovery of the supply chains, it is mandatory to pay attention to what went wrong in the operational activities since the pandemic struck the world. It will help to recognize new priorities to mitigate operational challenges in supply chains with the changing financial world.

Managing risk associated with disruptions in supply chains is very significant in enhancing the resilience of the supply chains in the next normal, which we are going to adopt soon. Managerial personnel who are responsible for the uninterrupted supply chains in organizations frequently look forward to supplying networks that do not only lessen the risk associated with daily operations, but also fascinate, adjust to, and recover from terrible interruptions that arise in the economic world in the next normal. So, their focus is aligned with some significant risks associated with resilient supply chains.

Operational risk, tactical risk, and strategic risk are major risks in resilient supply chains when facing economic challenges in the next normal. Disruptions in supply of raw materials and other needed components for operations due to transportation issues arise with pandemic travel restrictions, issues of labor supply for operations with social distancing are some major operational risks that can occur in supply chains with the pandemic. Tactical risks address losses because of real-time changes in business situations, while strategic risks affect the overall processes of the organizations. When adapting to the next normal, organizations must enhance updated risk detection and mitigation options to act in response to rapid supply chain fluctuations. Adapting to changing supply or demand via proper planning and development, and analyzing risks or opportunities correctly will help to cope with the ambiguity by enhancing flexibility and capability over supply chain modernization novel responses to strategic barrier assessment. Therefore, it will assist to improve the capacity to adjust and to get recovered from large disruptions by detecting possible catastrophe areas.

By considering the possible risks and challenges with traditional supply chains in the next normal, business executives in the logistics field believe that to be more competitive and robust in the present market; they will need to modernize and make significant changes to supply chain processes. Industry 4.0 and digital

transformation technologies are some of the vital technologies applicable in supply chain operations across the world. Artificial Intelligence (AI), industrial IoT, machine learning, robots, autonomous things, and modern data bases are significant techniques that use to modernize supply chains.

By using AI-related technologies, big data analysis and predictive analytics can be done easily. Those analytical methods will assist supply chains in estimating and take solutions regarding demands and associated risks. Intense technical and functioning perceptions can also be acquired through AI-driven supply chain solutions. Machine learning is another AI application used to implement operational strategies to act immediately with the most excellent workflows. To recognize significant factors and supply chain trends, machine learning techniques will be helpful while modern ERP systems adapted to work at their quickest and most resilient speeds in supply chains. With these rising technologies, supply chains can be more resilient and self-reliant with the next normal. Robots and autonomous things are used to prevent employees from getting exposed to society, maintaining social distance. Accordingly, we can understand that supply chains will be able to meet customer demand in more sustainable ways with the next normal by working along with technological solutions.

Resilient supply chains are very important to the national economy as they are delicately linked. With the pandemic, resilient supply chains were subjected to many changes. Therefore, the economic situations of countries are also enhance by changes. That resulted in many policy changes in resilient supply chains in national and global economic sectors. With efficient supply chain management, the national economy can experience lower costs, maximizations of customer values, and optimizations in competitive advantage throughout the economy.

Resilient supply networks have made a substantial contribution to global trade as



supply linkages have aided commercial globalization. The expansion of global resilient supply chains has altered the income distribution within the world. With that, international trade becomes more encouraged. It aided developing countries in achieving greater industrialization and strong rates of economic progress. Therefore, reduce trade barriers for key items and their primary inputs can increase global sourcing options. We can recognize that resilient supply chains empower, and that resilient supply chains empower international trade to overwhelm economic challenges faced by the world. Accordingly, we can conclude that resilient supply chains are beneficial for logistics field. More efficient and effective operations, productivity enhancements, and reducing risks by providing real-time visibility and enabling businesses to enhance the logistics sector resilient supply chains for economic challenges in the next normal.

Food Festival

A Food Festival was organized by the Technical Sciences and Management Society (KDU) as a fundraising activity. This Food Festival was organized on 30th March 2022, a fabulous day, on which the semi-finals of the KDU Inter-Faculty Cricket Tournament 2022 took place at the KDU Grounds. The new intake of the faculty that of Intake 39 also supported this event. There was a wide selection of goodies, and the audience could satisfy their cravings to the utmost. The people who were handling the food stalls were very energetic, friendly, and pleasant. The audience, as well as the whole KDU Grounds, was overwhelmed with the joyous atmosphere and it was such a fantastic, memorable day that glowed with cheer and happiness and showed the unity of the FMSH as a family.



Installation of the EXCO 2021/2022 and the Annual General Meeting

The Technical Sciences and Management Society (TSMS) of KDU provides great opportunities for the undergraduates to develop their soft skills, build up their personalities, with the purpose of making future industry leaders. The Annual General Meeting of the Society, which is one of the most prominent events of the Department of Management and Finance of the Faculty of Management, Social Sciences, and Humanities, was held on the 13th of October 2021, where the Executive Committee for the year 2021/2022 was officiated. The meeting was held virtually using an online platform due to the prevailing pandemic situation in the country. The event was graced by the presence of the Dean of the Faculty, senior lecturers and the lecturers, and the members of the TSMS.

Interviews with Industry Professionals

It was such a valuable opportunity to interview the well-known professionals in the industry in the leading companies related to exporting, freight forward and shipping lines etc. Students were able to get insights of the industry which will be very useful in their future careers when they enter the industry. Students also got the chance to develop their communication, and personal skills by conducting interviews with industry professionals.





Logistics Day 2021

The most eminent event of the Department of Management and Finance of FMSH, KDU Logistics Day 2021, was held on 6th May for the year 2021 on the theme of “Smart Supply Chain Management”. Due to the Covid 19 Outbreak in the country, this had to be conducted virtually. Logistics Day 2021 marked a significant milestone with revolutionary initiatives such as the KDU Logistics Challenge and the Monthly Educational Webinar series conducted in parallel with the main event. Along with the announcement of winners of the KDU Logistics Challenge 2021 and its award ceremony, this event of grandeur ended while fulfilling its primary objective of showcasing the outstanding potential of young undergraduates of General Sir John Kotelawala Defence University and in addition allowing undergraduates of other universities to enhance their soft skills preparing them for professionalism in the future. Despite all the hardships, the organizing committee did a fabulous job to make this eminent event a success. The 6th edition of the Logistics Times magazine was launched along with that and the first issue was presented to the vice-chancellor Major General Milinda Pieris.



Port Visit

The final year undergraduates of the Department of Management and Finance, following the degree of Logistics Management got the opportunity to visit the Port of Colombo on 1st of April 2022. The purpose of this visit was to

provide the practical experience and knowledge of Logistics operations for the undergraduates. Undergraduates were able to get useful and valuable insights of the port operations from the operational experts of Port of Colombo.

Logistics Times article competition

An article competition was organized for the first time, along with the KDU Logistics Day 2022 to enhance and showcase the writing skills of aspiring writers under the theme “Resilient Supply Chains

for Economic Challenges in the Next Normal”. The competition was carried out under two participants groups. One was for undergraduates and the other was for lecturers, postgraduates, and industry professionals. The winning articles of undergraduates, postgraduates and industry professionals were awarded and selected articles were published in the Logistics Times Magazine.

KDU Young Entrepreneurs Exhibition 2022

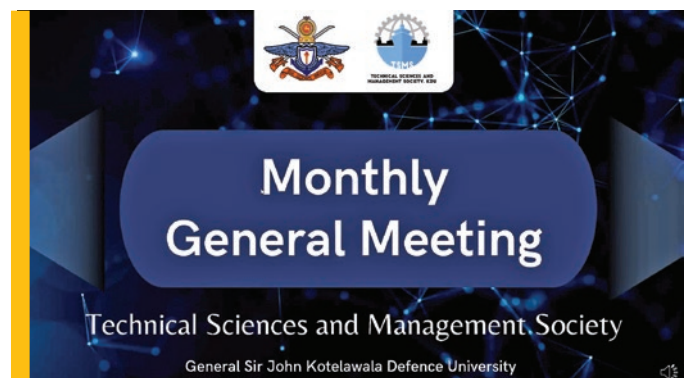
KDU Young Entrepreneurs Exhibition was held on 28th April 2022 on KDU premises from 9 am to 2.30 pm. undergraduates reading for BSc in Logistics Management, BSc in Management and Technical Sciences, and BSc in Social Sciences Degree Programs of intake 38 of Faculty of Management, Social Sciences and Humanities organized this amazing event under the guidance of Dr. Kalpana Ambepitiya, the lecturer in charge. The event was graced by Brigadier

W. Chandrasiri, the Deputy Vice-Chancellor of Defence and Administration as the Chief Guest and it was filled with very creative and innovative business ideas from the students. First place in the exhibition was awarded to the ‘Forever Jewels’ team which had designed jewelry from copper. The second place was achieved by the team ‘Dr. Pub’ which introduced amazing new flavors to the herbal drinks such as coriander, ‘beli mal’ etc. The third place was awarded to the team “Herali” which came up with the business idea of different flavors of sauce and dip made out of the Jack Fruit. The exhibition was truly a remarkable opportunity for young undergraduates to develop their entrepreneurial skills.



TSMS General Meetings

The Technical Sciences and Management Society (TSMS) of General Sir John Kotelawala Defence University organized monthly general meetings along with guest speakers in order to enhance the industry-related knowledge of undergraduates before stepping into the corporate sector. The first meeting was held in February, with Ms. Hasani Gunasekara, who is a proud product of KDU, currently employed as the Assistant Manager – Customer Facing Supply Chain at Nestle Lanka PLC, as the guest speaker. The second meeting was also enriched with the valuable inputs from a KDU graduate with outstanding performance, Mr. Nisal Wijerathne, who is currently working at Expo Lanka Freight (Pvt) Ltd as an Assistant Manager - Internal



Sales. The meetings were held online via Zoom, where the insights from these guest speakers were truly an inspiration to the undergraduates to achieve their goals and to improve knowledge on industry practices.

2022

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BRAIN TEASER

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Hints – 13 Words

- Military observation of a region to locate an enemy or ascertain strategic features
- Shipment of goods or containers to an intermediate destination, then to another destination
- The act or service of towing ships and vessels, usually by means of a small steamer called a "tug."
- The movement of goods by lorries, trains, ships, or aero planes
- Able to persist, adapt, or transform in the face of change
- A large building for storing things before they are sold, used, or sent out to shops
- Restriction on the movement of people, animals and goods which is intended to prevent the spread of disease
- The overall process of managing how resources are acquired, stored, and transported to their destination
- It is the process of finding and agreeing to terms, and acquiring goods, services, or works from an external source, often via a tendering or competitive bidding process
- A person, company, or organization that supplies something such as goods or equipment to customers
- A situation that involves being exposed to danger
- A task or situation that tests someone's abilities
- The state of the country or region in terms of production and consumption of goods and services and the supply of money

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