

The Impact of Changes in Regulatory, Economic and Business Environment on Value Chain of CPPM Division, Hayleys Agriculture during 2020-2022: A Case Study

Adhikari A.M.L.S. and Prasada D.V.P.*

Department of Agricultural Economics and Business Management,
Faculty of Agriculture, University of Peradeniya, Peradeniya, Sri Lanka

This study, in essence, is an attempt to determine the impact of changes in regulatory, economic, and business environment on the value chain of the Crop Protection and Planting Material (CPPM) division, Hayleys Agriculture. In addition to this primary objective, identifying the effective management practices and modifications in the value chain that maintains positive revenue growth in a turbulent environment are reviewed. The applied methodology of this study is focused on the value chain performance attributes such as efficiency, flexibility, and quality. The ultimate goal is the identification of the critical success factors which help to maintain successful business operations of the CPPM division under the uncertain business environment within Sri Lanka. In-depth interviews were used for data collection. Data was collected directly from the 14 key informants who employed in functional and middle level management of the CPPM Division of Hayleys Agriculture. Qualitative research techniques were used for this case study. In the end, the BCG matrix and McKinsey matrix were developed to identify competitive advantage. CPPM division managed the crisis effect thorough value chain transformation. Continuous improvements in different aspects of value chain components could help to survive in drastically changing market place. Several recommendations could be obtained from the study. CPPM division should develop the following areas to improve internal processes: risk management, customer relationship management, web app optimization, and data visualization across the organization to fit the technology driven modern business world. Further investments in the development of the agro chemical and seed vegetable product portfolios and scaling down the seed paddy business are essential. Important implications could be derived from the study concerning the management of agri-businesses. It is evident that advanced planning and long-term oriented strategy formulation offer a good foundation for the firm to operate under uncertain economic, regulatory, and business environment.

Keywords: Agribusiness, Case study, Strategy formulation, Value chain

*prasada@agri.pdn.ac.lk