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**IMPACT OF LOSING  
COMPETITIVENESS OF THE GARMENT  
INDUSTRY IN SRI LANKA**

By

**P.A.D.N. PERERA**  
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## ABSTRACT

This study aims to make a deeper observation and analyze the challenge of losing competitiveness of garment industry in Sri Lanka. Sri Lanka faces stiff competition from other developing countries of South and South East Asia, where production cost is low. It has become that Sri Lanka cannot compete on low labour costs alone; the emphasis has been shifted to improve the productivity of both labour and the manufacturing operation as a whole. Garment industry is Sri Lanka's major export income earner and it provides employment for over 300,000 people and contributes to the livelihood for over 1.2 million people. Multi Fibre Arrangement (MFA) largely governed garment export since 1974 and it was abolished in 2005

This study was conducted towards five key objectives including the main objective to examine the current and global marketing environment and the degree of its influence on the garment industry in Sri Lanka. This analysis covers four research questions. Both primary and secondary data collection methods were utilised for this survey and a great emphasis was given on primary data collection techniques. Mainly questionnaire method was applied to collect relevant data.

Through the data analysis and results of the survey certain key issues were found. Accordingly this overall study provides better understanding about the challenges face by garment industry in Sri Lanka with a set of suggestions for the survival of this industry. It is sure that this study would be a better basis for future researchers who are in the need of conducting surveys related to this industry on other aspects.