

## **Transformational Leadership & Innovation as a Spring Board to Traditional Tea Industry: Success Story of Lumbini Tea**

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### ***Synopsis:***

Sri Lanka as the gateway to South Asia and with its strategic location along the silk road, famous for its gems, spices, tea, cricket & beauty attracted foreign invaders for centuries. The first tea field was planted in Sri Lanka in 1867 under the British rule and celebrating its 150th anniversary by year 2017(Ceylon Tea Board). Ceylon Tea the flagship brand popular all over the world, is one of the most significant industry in Sri Lanka economically as well as culturally. For the last few decades Sri Lanka has lost its market share in the market apart from few significant tea brands perform well in international level. Even though, the world production of tea grew 6 percent from 4,990 in 2013 to 5,304 billion kilograms in 2015 (ITC ,2016) our tea export haven't increased accordingly. This is due to Increasing competition from countries such as Kenya, India and Indonesia has resulted in reduced market share and low prices in the international market. It is a must we have to look back why we have lost the competitive edge and the market position in the world tea map. Apart from few Sri Lankan brands all other tea producers are selling bulk tea through the commodity markets due to short term financial benefits where we lose an ample opportunity of value added tea and other new emerging markets. Even though Sri Lanka is catering to Ceylon tea lovers, it has to face the challenges in increasingly competitive beverage market as variety of teas in the world market is now increasing while consumption of unbranded tea is declining (Wanninayake and Disanayake, 2006).

To gain a competitive advantage in the tea industry value creation and the change management can be used as fundamentals. To drive this effort leadership is a must for any organization.

*“if you wanted to do something new always select something that can be done every day and continuing “is the advice of Mr. D,Jayawardane , founder/chairman of Lumbini Tea Valley to his son and workers in the organization*