

**A STUDY ON THE RELATIONSHIP  
BETWEEN COMPETITIVE ADVANTAGE  
AND SUPPLY CHAIN ENABLERS IN  
MANUFACTURING SECTOR IN  
SRI LANKA**

by

**WICKRAMA ARACHCHILAGE DEEPTHI NILMINI  
WICKRAMAARACHCHI**

**M.Sc. in Management**

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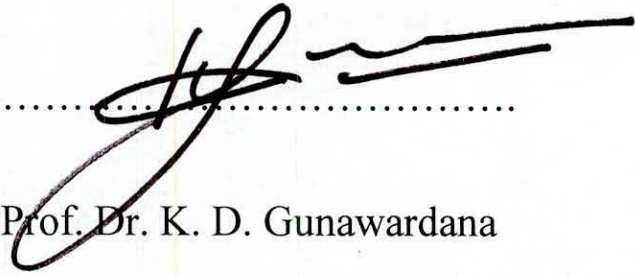
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The work described in this thesis was carried out by me under the supervision of Prof. K. D. Gunawardana and a report on this has not been submitted in whole or in part to any university or any other institution for another Degree/Diploma.

*D. Wickramaarachchi*

W A D N WICKRAMAARACHCHI

I certify that the above statement made by the candidate is true and that this thesis is suitable for submission to the University for the purpose of evaluation.

.....  


Prof. Dr. K. D. Gunawardana

Supervisor

05/03/2014

Date

**Coordinator**  
**PhD in Management Program**  
**Faculty of Management Studies & Commerce**  
**University of Sri Jayawardenepura**  
**Nugegoda.**

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## **ABBREVIATIONS**

SCM	Supply Chain Management
CSCMP	Council of Supply Chain Management Professionals
CLM	Council of Logistics Management
GSCF	Global Supply Chain Forum
ROI	Return on Investment
IT	Information Technology
ANOVA	Analysis of Variance
SPSS	Statistical Package for Social Sciences

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**ABSTRACT**

During last few decades, the effective supply chain management (SCM) has become a potentially valuable way of securing competitive advantage and improving organizational performance. In present day organizational context the competition is no longer between organizations, but among supply chains. This research conceptualizes and develops three dimensions of SCM practice (Information Technology Capability, Supply Chain Integration and Supply Chain Management Operation Strategy) and tests the relationships between SCM practices and organizational performance. Data for the study were collected from 35 Sri Lankan manufacturing organizations and the relationships proposed in the framework were tested using Statistical Package for Social Sciences (SPSS 14). The results indicate that the higher levels of SCM practice can improve the organizational performance and can lead the organization to achieve greater benefits of competitive advantage. IT capability is shown as the most critical enabler and it is the fundamental driver of supply chain management. Also, IT capability and supply chain integration can have a direct, positive impact on organizational performance. Hence, the SCM practices can be recognized as the most critical strategic aspects of today's organizations. Organizations can achieve short-term as well as long-term strategic objectives by improving SCM practices at their organizations.

*Keywords:* Supply chain management; Organizational performance; Supply Chain Integration

# **CHAPTER 1**

## **INTRODUCTION**

### **CHAPTER OUTLINE**

**1.1 Background to the Study**

**1.2 Problem Statements**

**1.3 Objectives**

**1.4 Significance of the Research**

**1.5 Theoretical Frame Works**

**1.6 Hypotheses**

**1.7 Methodology**

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**1.8 Organization of Following Chapters**