

## Technology Issues in the Sri Lankan Tea Industry with an Emphasis on Regional Plantation Companies: A Case Study based on Two Selected Regional Plantation Companies

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Tea Industry of Sri Lanka, the largest net foreign income generator to the country is a key component in the Sri Lankan economy, contributing to 17% of the export income. The direct and indirect labour employed in the tea industry is about 650,000, which is about 11% of the total workforce of the country.

In today's dynamic and turbulent environment, industry survival and growth depends on appropriate technology integration and change management in work practices. As identified in the research, the Sri Lankan tea industry with a history of over a century is facing global challenges requiring certain changes to the technology, work practices, work norms and attitudes to overcome present problems faced by it. This research work attempts to look into appropriate technology integration methods to develop and sustain the tea industry of Sri Lanka with an emphasis on RPCs.

The objectives of this paper is to assess the present technology status in the Sri Lankan tea industry; identify the technology gaps along the value chain in comparison to local and global best practices; Benchmarking against the best practices and to identify future technology strategies to improve competitiveness in Sri Lankan tea sector. The data collection was mainly based on interviews conducted through a wide category of people involved in different areas related to the tea industry. Two plantation management companies, a lead performer and an average performer in the industry were selected as the main data sources. The research scope extended from the field related activities to the production of tea and did not focus on the market development aspects of the tea industry. Based on Porter's Value Chain Model of primary and support activities, a simplified model for the industry was developed. This model was used to analyze the processes involved and the present technology status of the industry.

The research work enabled the identification of prevailing technology gaps in the Sri Lankan tea sector in comparison to the local and global best practices. Further, an attempt has been made to identify the technology integration issues, which are the underlying reasons for the technological gaps seen amongst industry players. Based on identified reasons, several strategies in overcoming the shortfall in technology integration have been suggested.

**Key Words:** Tea industry; Expert-market; Technological gap; Technological and attitudinal changes; Global best practices

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