MANAGEMENT APPROACHES TO IMPROVE RETURNS ON INVESTMENT IN IT INFRASTRUCTURE IN THE INSURANCE INDUSTRY IN SRI LANKA

Weligama Palliya Guruge Drilishiya Priyadalshi Jayawardena

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Department of Computer Science & Engineering

University of Moratuwa

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DECLARATION

I declare that this is my own work and this thesis/dissertation does not incorporate without acknowledgement any material previously submitted for a Degree or Diploma in any other University or institute of higher learning and to the best of my knowledge and belief it does not contain any material previously published or written by another person except where the acknowledgement is made in the text.

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MBA/IT/10/9062

The above candidate has carried out research for the Masters Dissertation under my supervision.

Dr. Chandana Gamage (Supervisor) Date

Head of the department

Department of Computer Science and Engineering

University of Moratuwa

ABSTRACT

This study is focused on the current level of adoption of management approaches in the insurance sector in order to increase ROI in Information Technology (IT) infrastructure and the possibility of improving ROI by increasing the level of adoption of management approaches. The individual organizational context in which such adoption takes place can be described as a dichotomous environment: one characterized by a higher level of investment but poor returns (ROI) while other is characterized by a lower level of investment and no or lower returns. It is against this backdrop that this study seeks to investigate both the strategic and non-strategic significance of adopting management approaches to improve ROI. A combination of both strategic and non-strategic management approaches would be the most ideal for the achievement of long term organizational objectives. The insurance sector in Sri Lanka has been experiencing poor ROI concerning their investments in IT infrastructure. This study has found out a stronger correaltion between ROI and IT adoption; and ROI and adoption of good management strategies.

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W.P.G.D.P.Jayawardena
MBA/IT/10/9062

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LIST OF ABBREVIATIONS

BSC	Balance Score Card
CASIC	Computer-Assisted Survey Information Collection
CIM	Computer Integrated Manufacturing
CSR	Corporate Social Responsibility
DIS	Digital Information Systems
ERP	Enterprise Resource Planning
HRM	Human Resource Management
ICT	Information and Communication Technology
IRR	Internal Rate of Return
IS	Information System
IT	Information Technology
MPL	Marginal Productivity of Labor
MRP	Material Requirements Planning
ROCE	Return On Capital Employed
ROI	Return On Investment
SHRM	Strategic Human Resource Management
SRSM	Simple Random Sampling Method
VRIO	Value, Rarity, Inimitability and Organization