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**BUSINESS OPPORTUNITIES FOR THE  
SOFTWARE INDUSTRY OUTSIDE THE  
WESTERN PROVINCE OF SRI LANKA**

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D.D. Amarasekera



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Prof. Rohan Samarajiva

&

Prof. Amal Kumarage

The Dissertation was submitted to the Department of Civil Engineering of the University of Moratuwa in partial fulfillment of the requirement for the Degree of Master of Business Administration.

University of Moratuwa



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## DECLARATION

“I certify that this thesis does not incorporate without acknowledgement any material previously submitted for a Degree or Diploma in any University, contain any material previously published or written by another person except where due reference is made in the text.”



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### ***UOM Verified Signature***

(Professor Rohan Samarajiva) |  
Thesis Supervisor  
Executive Director,  
L I R N E a s i a.

.....  
(Professor Amal Kumarage)  
Thesis Co-Supervisor  
Course Director MBA in Infrastructure,  
University of Moratuwa, Sri Lanka.

## ABSTRACT

The use of computers has increased considerably all over the world. The computer is now becoming a part of the human life because it helps the human to do work quickly and efficiently. So an industry like software has to play a major role in the future as there will be more market opportunities in any country.

A lot of opportunity exists even for Sri Lanka to participate in the software industry including software development, programming and business process outsourcing. There are many Sri Lankan firms which are offering IT based service and generating more revenue through the software exports.

But most of these firms are located within the WP even though provinces like CP and SP have adequate electricity and telecom infrastructure. This research is mainly focused on the above situation. The following are the two main questions that have been addressed through this research.

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1. Why do software firms not locate in provinces other than the WP?
  2. Is the advantageous environment in the WP changing?

A questionnaire which addressed the above two questions had been distributed among all the member firms of SLASI. The gathered data were analyzed using descriptive statistical methods. Through the data analysis it had been concluded the following.

Skilled & Educated People, Telecommunication, Electricity and Public Transport are the major constraints for not locating many software companies outside the WP. SP, CP and UP are the more suitable places with respect to each minimum requirement needed to start new software companies outside the WP.

So the outcome of this research will be helpful to the investors who are going to invest their money to start new software companies in Sri Lanka, when they are going to select a location to start a new software company.

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## ABBREVIATIONS

CBSL	Central Bank of Sri Lanka
CP	Central Province
GDP	Gross Domestic Product
HDI	Human Development Index
ICT	Information & Communication Technology
ICTA	Information and Communication Technology Agency of Sri Lanka
ISP	Internet Service Provider
IT	Information Technology
LBO	Lanka Business Online
MCA	Multi Criteria Analysis
NCP	North Central Province
NEP	North Eastern Province
NWP	North Western Province
SAP	Sabaragamuwa Province
SEA	Software Exporters Association
SLASI	Sri Lanka Association for the Software Industry
SLICTA	Sri Lanka Information & Communication Technology Association
SLT	Sri Lanka Telecom Ltd.
SP	Southern Province
TCP	The Competitiveness Program
UK	United Kingdom
UNDP	United Nations Development Programme
UP	Uva Province
US	United States of America
USAID	United States Agency for International Development



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