



***APPLICATION OF SUPPLY CHAIN MANAGEMENT PRACTICES TO  
PUBLIC SECTOR CORPORATIONS TOWARDS ORGANIZATIONAL  
CONTINUITY - EVIDENCE FROM  
SRI LANKA***

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Sustainability as a construct is still debated and is yet to attain a consensus among researchers and practitioners. Sustainability in supply chain is another dimension where few researches have been done in Sri Lanka's, public sector. In order to narrow the study the researcher will be taking one dimension of sustainability that is continuity of the organisation. Sustainability is the integration of environmental, social, and economic criteria that allow an organization to achieve long-term economic viability in narrow term it is the continuity of the organisation. The purpose of this paper is to examine the factors affecting the supply chain management principles and its application to public sector corporations. When researcher considered sustainability as the depended variable and carried out the literature survey following six independent variables emerged. They are namely goal alignment to supply chain objectives, standardization, waste elimination, revenue generation, knowledge in supply chain management practices, mind set of employees. Firstly the researcher used qualitative techniques using in depth interviews. Findings of the qualitative study were used in quantitative technique using 37 samples (permanent officers) in 16 public sector corporations. The sample size obtained for the study was appropriate according to the rules of thumb proposed by Roscoe. Such as that sample sizes larger than 30 and less than 500 are appropriate and the sample size should be several times (preferably 10 times more) as large as the number of variables in multivariate study (including multiple regression analyses). Dimensions are Integration of SCM strategy with the core strategy, cost reduction, profit maximization. The researcher came up with questionnaire consisting of 3 dimensions and further divided to 21 elements. Four point Liker scale used to capture the respondents feedback on the dimensions delineate from the Sustainability literature. Utilized four point Liker scale instead of 5 points since people tend to be with neutral answer at the middle position. Search for the Literature was done using sustainability and green procurement. Since objective is to check the validity and reliability of the instrument search was limited to 26 references. Out of the 34 corporations registered under Department of Public Enterprises 16 corporations were selected. The study narrowed down to cover 10 corporations. Respondents or cases collected of 37 executive and above grades from these corporations. The responses were analyzed using SPSS. The study validates the importance of applying supply chain management principles such as lean concepts. Very few studies have documented industry specific sustainability practices in Sri Lanka and much lesser have studied in relation

to lean supply chain. This was verified by the actors who participated in the in-depth interviews and focus group discussions. Furthermore, standardized procedure is developed through the literature survey. Also it was revealed during the interview process that the knowledge on the supply chain process is very important for the continuity as well as the goal alignment and standardization. Furthermore this argument was confirmed when the instrument was used through the quantitative study. When these results were analyzed using SPSS. It confirmed the validity and reliability of data. The research reconfirms the importance of having revenue generation projects and waste elimination projects for the continuity of any public sector corporations especially corporation who depends on the Treasury funds. Proposed model needs to be applied to other sectors in public sector such as service and manufacturing. Model linked to organizational business operations at the strategic, tactical, and the operational levels helps in the alignment of the organizational activity towards the strategic intent of the organizational sustainability. It also helps in equipping the organization to achieve the operational excellence and the strategic business growth. Since the procurement in government sector is bound by the NPA guidelines there should be policy recommendations with the introduction of the National Procurement commission. Current study is unique in its attempt to understand the capability of proposed lean supply chain concepts and application same in public sector towards continuity.

**Keywords:** *Sustainability, Continuity, Lean supply chain, Goal alignment, Revenue Generation*