

**BARRIERS ON SMALL SCALE CONTRACTORS TO
ENTER AND SURVIVE COMPETITIVE
CONSTRUCTION INDUSTRY IN SRI LANKA**

Gamini Ramawickrama

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Declaration

I declare that this is my own work and this 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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The above candidate has carried out research for the Masters Dissertation under my supervision.

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Signature of the supervisor

Date

Dr Lesly Ekanayaka

UOM Verified Signature

17 / 03 / 2017

Signature of the supervisor

Date

Prof Kennedy Gunawardena

Abstract

Many challenges are facing by business managers when there are projects involved in their business in construction industry. Construction industry is not an exception when project comes in to their businesses as a part of the business activity. Many barriers are directly resulting to operations related and some are indirect marginal activities of SME level for its survival. While managing a SMEs, most of the time, challenges are addressed by the SMEs to ensure the success and survival. Many considerations are included in communication, workforce, safety, time constraints, and nature of the project, quality and time management. From a literature review six predominant problems currently facing the construction industry were identified. With the analysis of data and above constrains in the field of construction SMEs survival, it reveals that the clear relationship between employee turnover, application of new technology, government regulations, financing, contractor awareness of environmental issues, project management, knowledge transfer and survival of SME construction companies. The underlying aim of ranking these problems being towards developing a strategy for improving the performance of the construction sector and improving client satisfaction through the satisfaction of SME operations. Accordingly, research question is formulated to address the issue of “what are the existing situations of competitive construction industry in Sri Lanka and what are the barriers to enter and survive in competitive construction industry in Sri Lanka?” The opinions of Construction Company concerning the severity of these problems was obtained through a questionnaire survey. Findings reveals that, there are direct relationship between employee turnover, application of new technology, government regulations, financing, contractor awareness of environmental issues, project management, knowledge transfer and survival of SME construction companies. This was proved by using the fishbone model. With the findings of this research, it is not only applicable to locally, but also to address to mitigate issues related to survival of construction SMEs at global level.

Keywords: Construction SMEs, Survival of SMEs

Dedication

I wish to dedicate my dissertation to my loving Wife Ishani Surangi, My Elder Son Pasindu Chamath, Daughter Laknavi Geethma and youngest son Manidu Lakmith on their support and dedication extended to me on engaging MBA study.

I have had to deviate from family time to concentrate my studies and eventually lost my time to spend with them leaving them with strain on weekends.

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