

Results

An application of employment elasticity analysis to Sri Lankan manufacturing reveals high employment effects of growth in manufacturing as against national and services sub-sector level performance. For example, between 1990 and 2006, employment elasticity in manufacturing was $e = 1.55$ as against $e = 0.41$ and $e = 0.34$ for national and services sector respectively. This implies a transition of manufacturing sector from low employment intensity to high employment intensity between 1990 and 2006 relative to other sectors.

This evidence was further confirmed by employment elasticity estimates at 2-digit level and 4-digit level. For example, employment elasticity estimates at 4-digit level indicate that more than 50 percent of industry sub-sectors in manufacturing record high employment elasticity ($e < 0.75$) particularly between 2000 and 2006. Decomposing of employment elasticity values for the two time points covering the entire manufacturing sector as well as the three-sub-sectors indicate an increasing trend of employment elasticity from $e = 0.55$ to $e = 0.99$ for 1990-2000 and 2000-2006 periods respectively.

Conclusions

The findings on employment elasticity indicate pro-employment benefits of economic growth in manufacturing. This could be attributed to pro-business policy reforms of post-1977 period both at national and sub-national level. The findings also reveal that Sri Lanka has failed to realize full benefits of pro-market policy reforms due to continued high fiscal deficits, delays in policy reforms and continuation of costly and destructive civil disturbances.

Market Orientation and Market Success of Business Organizations in Fast Food Industry in Sri Lanka: The Case of Perera & Sons Ltd

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Fast food production and sales became as an important industry in Sri Lanka during the past few decades. Except many individual entrepreneurs and small businesses, there are two kinds of leading firms in the fast food industry in Sri Lanka, namely, domestic firms and foreign franchised firms such as MacDonal'd's and KFC. Among the leading domestic fast food producing and selling firms in Sri Lanka, the Perera & Sons Ltd, has been identified as one of the market leaders of the country (see data given in Table 1 and 2). Specially, people in Colombo are very much familiar with the outlets of the Perera & Sons Ltd. Therefore, this study aims to investigate the relationship between market orientation and sales expansion of the Perera & sons Ltd. The long-run success of a business organization depends on customer satisfaction. It is generally accepted that when the customer satisfaction level is high, the level of sales expansion is also significantly high. This could be achieved only through a process of market orientation. In this study the literature survey reveals that the market orientation has three main components, the customer orientation, competitor focus and cross-functional coordination. This study attempts to find relationship between market orientation and sales expansion of Perera & sons Ltd. Generally, customers can be divided two folds as internal customers and external customers. Internal customers are the employees. External customers are the buyers. The