COMMERCE CHRONICLE

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INSIGHTS. INNOVATION. IMPACT.

RISING BEYOND LIMITS:

REIMAGINING THE FUTURE OF BUSINESS

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University of Sri Jayewardenepura
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The Department of Commerce
Faculty of Management Studies and Commerce

COMMERCE CHRONICLE

INNOVATE. INSPIRE. IMPACT.

RISING BEYOND LIMITS: REIMAGINING THE FUTURE OF BUSINESS

Commerce Chronical is a refereed magazine published by the Department of Commerce, University of Sri Jayewardenepura. The Department of Commerce and the editorial board reserve the right to determine the structure and design of the magazine. Each prospective article will be reviewed by relevant experts, and the Department of Commerce will commit to publish only the original contributions to the field of Commerce by respective authors from Sri Lanka and abroad.

UNIVERSITY OF SRI JAYEWARDENEPURA

The Faculty of Management Studies and Commerce

The Faculty of Management Studies and Commerce (FMSC) of the University of Sri Jayewardenepura (SJP) has been the gateway to success for over 50,000 students. In its illustrious history of 60 years of academic excellence, we have spearheaded the development of management education in Sri Lanka through our programmes designed to meet the needs of Sri Lanka's economy and of its business managers.

In all spheres, the University's work is closely linked to that of industrial, commercial and academic establishments locally, nationally and internationally. In this expanding environment, quality of university education is of paramount importance. We offer 12 degree programmes with more than 300 subjects. Our research activities are a strong indication of innovation and intellectual challenge that demonstrates our leadership in management education in the country. Therefore, we at FMSC offer learning heightened by cutting edge research and innovation with a rare combination of practical and relevant knowledge and transferable skills, which are essential for teamwork, communication and leadership to build your career.

FMSC is a dynamic, forward looking and modern faculty. Irrespective of whether one intends to study at undergraduate level (internal or external) or postgraduate level, at the FMSC you will find intellectual challenge and stimulation in a highly competitive environment. The FMSC is committed to realise the vision and mission of the University whilst furthering the management education of the country.

Faculty of Management Studies and Commerce,
University of Sri Jayewardenepura,
Gangodawila,
Nugegoda, Sri Lanka. 10250.

Phone: +94 112 803343

Department of Commerce

The Department of Commerce was set up in the Vidyodaya Campus of the University of Sri Lanka in 1973 concurrently with the establishment of the Faculty of Management Studies & Commerce under the University re-organization scheme in 1972.

The Department commenced the prestigious four-year B.Com (Honours) degree programme initially in all three languages namely Sinhala, Tamil, and English. Later, Tamil medium was discontinued as faculty competent of teaching degree curriculum in Tamil was not available and as a degree programme in Commerce in Tamil medium were introduced in other universities especially in the North and East of Sri Lanka. The Department was proud to run a highly reputed and successful B.Com (Honours) degree program in Sinhala and English medium with students initially allocated from among those sent to the Faculty of Management Studies and Commerce and afterwards directly from the University Grants Commission. The Department currently conducts its program in the English medium only. The first batch of B.Com (Honours) students graduated in 1977.

The Department has a total of 500 undergraduates. The full-time academic staff of the Department is supplemented by a team of visiting lecturers holding higher academic and professional qualifications with wider experience in the industry. The Department is also being assisted in teaching other departments of the Faculty in respective specialisation areas.

As a department of higher learning, it is committed to uplift the well being of the community by producing skilful and resourceful graduates who are readily employable and competent to serve the needs of the country.

Our Vision

Prosper lives through learning

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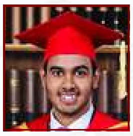

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CONTENT

IT'S NOT AN EXPERIMENT IF YOU KNOW IT'S GOING TO WORK

MESSAGE FROM
THE VICE CHANCELLOR

SENIOR PROF. UPUL SUBASINGHE

It is with great pleasure that I extend my warmest congratulations to the Department of Commerce on the launch of its inaugural online magazine, Commerce Chronicle.

This publication marks an important milestone for the Department and reflects its commitment to creating meaningful engagement between academia and industry. In today's rapidly evolving business environment, universities have a responsibility not only to impart knowledge but also to provide students with opportunities to understand the realities, challenges, and innovations shaping the professional world. Commerce Chronicle is a commendable initiative that supports this objective.

I am particularly pleased to note that the magazine brings together insights from a diverse group of corporate professionals representing a wide range of industries and disciplines. The articles featured in this inaugural issue offer valuable perspectives on contemporary areas such as sustainability, entrepreneurship, digital transformation, banking, e-commerce, and other emerging business trends. Such contributions provide an excellent opportunity for students to learn from practitioners and gain a broader understanding of the dynamic business landscape.

This publication is also a reflection of the dedication and hard work of the Department of Commerce, particularly the internship coordinating team, whose efforts have transformed a rich collection of industry experiences into a valuable knowledge-sharing platform. Their commitment to enhancing student learning and strengthening university-industry collaboration deserves special appreciation.

I also extend my sincere gratitude to all corporate leaders and professionals who generously shared their knowledge and experiences for this publication. Their contributions add significant value to the learning journey of our students.

I wish Commerce Chronicle every success and am confident that it will continue to grow as a distinguished platform for knowledge exchange, professional engagement, and academic enrichment.

MESSAGE FROM

THE DEAN

THE FACULTY OF MANAGEMENT STUDIES AND COMMERCE

PROF. DUSHAN JAYAWICKRAMA

It is with great pleasure that I extend my warm greetings to all readers of the inaugural issue of Commerce Chronicle, the online magazine of the Department of Commerce, Faculty of Management Studies and Commerce, University of Sri Jayewardenepura.

This publication marks a significant milestone for the Department, creating a unique platform that bridges academia and industry through the sharing of knowledge, experiences, and professional insights. As the business environment continues to evolve amidst technological advancements and sustainability challenges, meaningful dialogue between universities and industry has become more important than ever.

What makes Commerce Chronicle particularly noteworthy is its foundation in the Department's internship programme, which has long served as a vital link between university learning and professional practice. The articles featured in this issue reflect the perspectives of distinguished industry professionals from diverse sectors, offering valuable insights into contemporary business trends. Such contributions enrich the learning experience of our students while fostering stronger engagement with the corporate community.

I commend the Department of Commerce, the internship coordinating team, the editorial team, and all undergraduates whose dedication and commitment have made this initiative a reality. I also extend my sincere appreciation to the industry leaders and professionals who generously shared their knowledge and expertise for this publication.

I am confident that Commerce Chronicle will evolve into a respected forum for intellectual exchange, professional reflection, and collaborative learning. May this inaugural issue inspire our students, strengthen industry partnerships, and contribute meaningfully to the advancement of business knowledge and practice.

I wish Commerce Chronicle every success in its future endeavors.

MESSAGE FROM

THE HEAD OF THE DEPARTMENT

MR. SACHIN WIJAYASINGHE

It is with immense pride and heartfelt joy that I welcome you to the inaugural edition of the "Commerce Chronicle" a publication that is truly first of its kind for our department, and one that I believe marks a defining milestone in how we bridge the world of academia with the dynamism of industry.

Through the Internship course, our students were challenged not merely to observe, but to actively partner with industry leaders, build professional networks, conduct meaningful research, and facilitate in-depth, interactive interviews with some of the most accomplished corporate professionals across diverse sectors. It is our hope that this magazine will inspire generations of students to view their internship not as a formality, but as a launchpad for genuine professional engagement.

A publication of this magnitude is never the work of one. I wish to express my profound gratitude to Mr. Hiran Abeywickrama (Internship Coordinator) and Mr. Minusha Weerakkody (Assistant Coordinator) of the department, whose tireless dedication of this project over the course of the year made this vision a reality. I am equally grateful to all the twelve (12) academic internship supervisors of the department whose guidance kept our students grounded in scholarly rigour, and to all the one hundred and eighteen (118) industry supervisors whose mentorship, patience, and generosity of time given for our students an unparalleled window into real-world commerce.

I would also like to extend a very special note of gratitude to the resource persons who are corporate leaders and industry professionals, who graciously agreed to participate in this inaugural edition. Finally, to the Editorial Team the dedicated academics, student contributors[R!1] , and support staff who worked behind the scenes with untiring effort to bring this publication to life. I congratulate you wholeheartedly. Your collective commitment has produced something that our department will be proud of for years to come.

As we launch this first edition, I am reminded that every great tradition begins with a single, courageous step. It is my sincere wish that this magazine grows from strength to strength, continuing to amplify the voices of industry, celebrate the achievements of our students, and reinforce the Department of Commerce's commitment to relevant, impactful, and forward-looking business education.

With warm regards and congratulations...

This inaugural edition of Commerce Chronicles highlights the valuable insights, experiences, and perspectives of industry leaders while showcasing our students' journey from academic learning to professional engagement

COMMERCE CHRONICLE

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RISING BEYOND LIMITS: REIMAGINING THE FUTURE OF BUSINESS

01

Banking & Digital Transformation

BANKING BEYOND COUNTERS:

INSIGHTS FROM A BRANCH MANAGER ON DIGITAL TRANSFORMATION

By W.A.D.I.U. Wijesooriya
Department of Commerce
University of Sri Jayewardenepura

Digital transformation has become more than a buzzword in the global financial sector, and it is now a defining factor of competitiveness and resilience. In Sri Lanka, this shift is particularly evident as banks respond to rising customer expectations and a market where convenience increasingly determines customer loyalty. Today's customers are drawn to the ease of managing their finances through digital platforms, from mobile apps to online services, rather than making routine visits to a branch.

Understanding how this change has unfolded at the ground level, we sat down with a branch manager from a leading commercial bank.

> ***How Sri Lanka's banking sector is adapting to digital disruption through innovation, resilience, and customer-focused transformation.***

INTERVIEW PROFILE

Mr. Dimuth Kularathne
Senior Deputy Manager,
DFCC Bank

Our conversation explored his career journey and current role, the shifts in Sri Lanka's banking sector over the past five years, the challenges of managing a branch in an intensely competitive environment, and the growing influence of digital channels on traditional operations. We also discussed the role of mobile and online banking in enhancing customer service and gained his perspective on where the industry is heading over the next decade.

In an industry where the pace of change is accelerating faster than ever, a steady hand and a deep understanding of both technology and the community are crucial.

Today, we sit down with Mr. Dimuth Kularathne, the accomplished Branch Manager of DFCC Bank in Panadura, who brings a unique blend of academic rigour and hands-on professional experience. He holds a Bachelor o Science in Business Economics University of Sri Jayewardenepura Master of Financial Economics from the University of Colombo.

With a career spanning over twenty years, he offers a clear and candid look at the challenges and triumphs of digitising banking services from the perspective of the people who make it all happen. We'll be discussing how this prestigious institution is balancing cutting-edge innovation with its commitment to serving customers, one personal interaction at a time.

Q. Can you tell us about your career journey and your current role as a Branch Manager?

"My career in banking began back in 2004 as a banking assistant at People's Bank, which gave me my first real exposure to the industry. A year later, I moved to Seylan Bank, and by 2010, I was promoted to Senior Banking Assistant at NDB Bank. Each step allowed me to deepen my understanding of operations and customer service while steadily building experience across different institutions.

The turning point came in 2013 when I joined DFCC Bank as a Credit Officer. That role was pivotal because it shifted me from general assistance into a more specialised, strategic area of banking.

Over time, I was fortunate to progress in my career, and in 2021, I was appointed Branch Manager of the Hikkaduwa branch. Today, I lead the Panadura branch, where I manage a portfolio of around nine billion rupees.

For me, this journey has always been about continuous learning and adapting to new challenges. But being a branch manager isn't just about managing numbers rather, it's about leading a team. I have ten staff members, and my priority is to empower them with the skills and confidence to handle customer needs effectively. By ensuring they are well-trained and able to resolve issues quickly, we can ensure that our customers experience banking as seamlessly as possible."

> **"*Being a branch manager isn't just about managing numbers rather, it's about leading a team.*"**

Q. How has banking changed in Sri Lanka over the last 5 years?

The past five years have been some of the most challenging in Sri Lanka's banking history, but they have also been a period of profound transformation. The recent economic crisis, in particular, presented an unprecedented test of resilience. Liquidity and liability pressures became immense, forcing banks to take drastic measures.

Banking is a branch of the information business - Walter Wriston

We had to increase our Fixed Deposit interest rates to a staggering thirty per cent, a difficult decision necessary for survival. Simultaneously, variable loan rates soared to thirty-six or thirty-seven percent, placing an immense burden on our borrowers. This unfortunate circumstance meant many customers were unable to service their loans, leading to a significant number of them being placed under moratoriums to ensure the bank's stability.

Just before this, the COVID-19 pandemic also left a lasting impact on our operations. It completely reshaped our operating model almost overnight, pushing us to embrace remote work, conduct all meetings virtually, and even deliver staff training sessions online. This forced digital pivot, born out of necessity, had an important side effect: it rapidly accelerated the adoption and acceptance of online banking for both our staff and our customers. Taken together, these back-to-back crises have fundamentally changed the way we operate and serve our clients. They have not only highlighted the need for resilience and adaptability but have also underscored the critical importance of digital transformation in ensuring business continuity and maintaining customer trust through the most trying of times."

Q. What challenges do you face managing a branch in today's competitive environment?

"I think managing a branch in today's environment presents a unique set of challenges, primarily driven by the sheer number of banks in Sri Lanka. It's a highly saturated market, which has forced competitors to roll out products that are often very similar, making differentiation difficult. In this landscape, the single most critical factor for success is providing an exceptional customer experience. We believe that when customers feel a sense of loyalty toward a bank, it's not simply because of the interest rate or a particular product feature; it's because of the quality of service they receive.

> **"A strong, positive relationship built on trust can ensure that customers will remain with us, regardless of what competitors offer."**

A strong, positive relationship built on trust can ensure that customers will remain with us, regardless of what competitors offer. However, providing this seamless experience requires more than just a friendly face. It demands an efficient and convenient technological infrastructure that meets the modern customer's needs.

We have to ensure our systems are fast, reliable, and user-friendly. But what happens when technology fails? That's where the human element becomes indispensable. I saw this firsthand during a recent system transition. We underwent a major upgrade that, while ultimately beneficial, caused temporary inconvenience for our customers. The systems were not operating at their usual speed, and there were some initial errors.

During this critical period, the branch staff played a heroic role. They were empathetic, patient, and went above and beyond to manage customer expectations and resolve issues manually. Their dedication and communication were key to preventing customer trust from eroding. It proved that in the face of technological glitches, a well-trained, proactive, and customer-focused team is our greatest asset. Ultimately, the challenge is not just to provide a good system, but to have a strong human backbone that can ensure customer loyalty even when things don't go as planned."

Q. How is digital banking affecting traditional branch operations?

"In my knowledge, I think digital banking is fundamentally reshaping how branches operate. As a bank, we actively encourage customers to move toward digital channels for instance, by introducing a nominal charge on in-person withdrawals.

"Digital and physical banking complement each other with branches evolving into advisory and relationship hubs rather than transaction counters."

The idea isn't to discourage customers, but to nudge them toward the convenience and efficiency of digital banking.

We've also invested heavily in dedicated mobile platforms. For retail customers, there's DFCC One, and for businesses, we offer iConnect. These platforms enable clients to handle a wide range of services from telegraphic transfers and fund remittances to salary payments, all from their devices.

What this means for us at the branch level is significant. When customers manage routine transactions digitally, it frees up our staff to focus on more complex, value-added services. In that sense, digital and physical banking complement each other, with branches evolving into advisory and relationship hubs rather than transaction counters."

Q. What is the role of mobile and online banking in customer service today?

"Basically, mobile and online banking have become central to how we serve our customers today. In fact, about 50 per cent of urban transactions now take place through digital channels. This shows how quickly customer behaviour is shifting. If we don't provide a robust, seamless experience, we risk losing them.

Many services that once required a branch visit, such as account opening or even applying for a loan, can now be completed online. This has transformed customer service by saving time and making banking more convenient, especially for people who are balancing busy work and personal schedules.

Looking ahead, I expect digital transactions to rise to nearly 75 percent in the coming years. The convenience is simply too compelling for customers to ignore. For us as banks, the message is clear, prioritizing online banking is no longer an option but a necessity for the future."

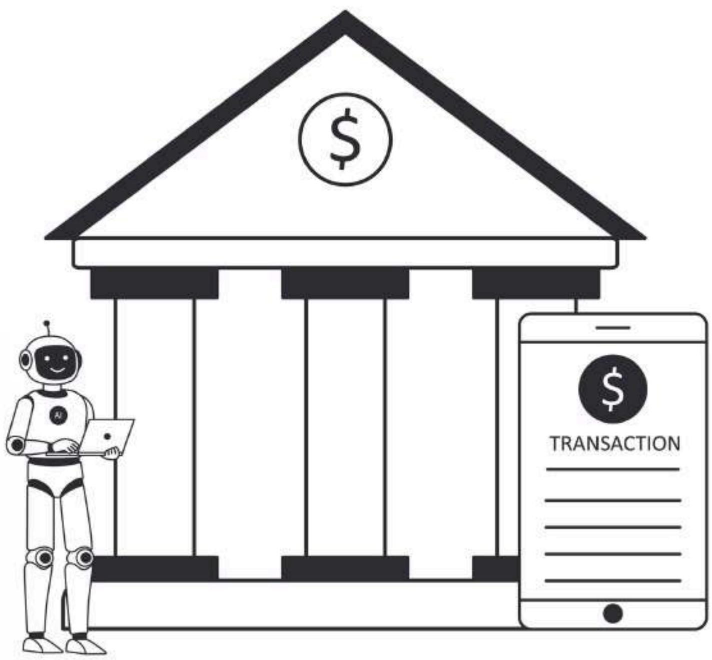
Q. Where do you see the banking sector in Sri Lanka in the next 5–10 years?

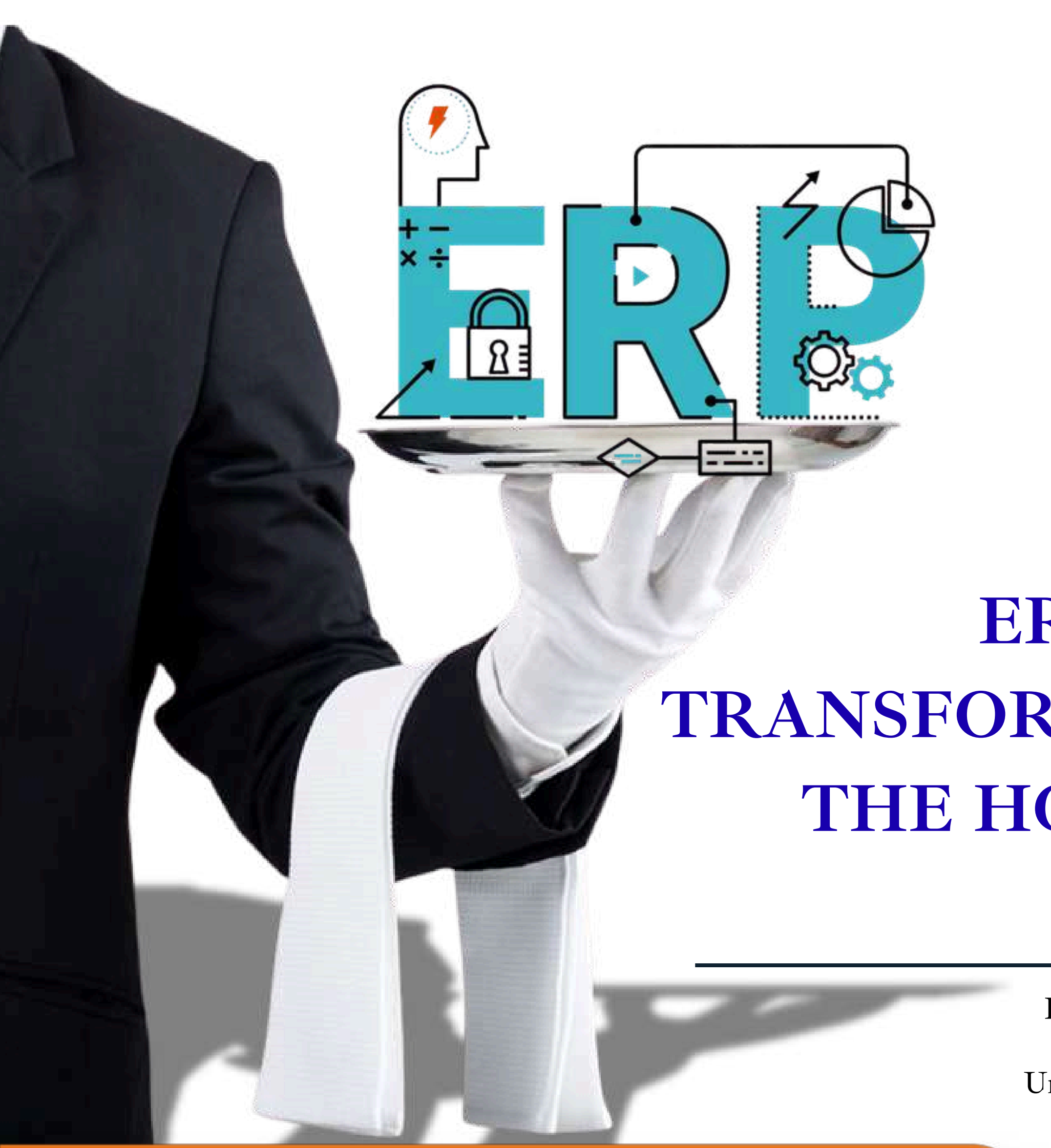
"So, when we look ahead five to ten years, I believe the banking sector will become even more competitive, which will significantly compress our traditional margins. To sustain growth and profitability, banks will pivot toward increasing their non-interest income. This means we will become increasingly reliant on service charges, commissions from fund transfers, credit card renewal fees, and facilitating trade business through instruments like letters of credit and advance payments.

> **"The future of banking in Sri Lanka will be defined by slimmer margins, a greater focus on fee-based income, and a workforce that is more digitally equipped than ever before."**

Simultaneously, a more significant proportion of our core banking functions will shift to digital platforms. Customers will expect every service to be available online, from the simplest transactions to complex international trade services.

This will profoundly change the skills required in our workforce. Staff with greater exposure to IT and digital competencies will have a clear advantage, as technology will be at the heart of our operations. In short, the future of banking in Sri Lanka will be defined by slimmer margins, a greater focus on fee-based income, and a workforce that is more digitally equipped than ever before."





02

Hospitality Technology

ERP SYSTEMS TRANSFORMATION IN THE HOSPITALITY INDUSTRY

By Anupa Liyanagunawardane
Department of Commerce
University of Sri Jayewardenepura

HOW CLOUD-BASED ERP SYSTEMS ARE REVOLUTIONIZING HOTEL OPERATIONS IN SRI LANKA

At present, in Sri Lanka, the hospitality industry is an industry where developments and innovations evolve rapidly. From the point of guest reservations, check-in at the front desk to check-out, all the services provided by the hotels need to be aligned and should be managed simultaneously. Traditionally, many hotels used to have a standalone software or tool, or may rely on manual processes to run their operations, where these tools and software or manual processes could remain unconnected and have critical gaps and inefficiencies, even though they solve specific operational problems.

However, with the evolution and advancement in technology over the past few decades, Enterprise Resource Planning (ERP) systems have become a game-changer in the hospitality industry, where these platforms have integrated and smoothed out the hotel's diverse operations into a centralized system. This has created a cloud-based environment that offers real-time visibility, automation consistency, leading to improvement and efficiency in the operations systems in hotels and resorts.

INTERVIEW PROFILE

Mr. Miyuru Guruge
Lead Consultant
Oracle ERP, DMS Software Technologies Pvt Ltd.

DMS Software Engineering (Pvt) Ltd

Q. How long has your company been working with clients in the hospitality industry in Sri Lanka?

Miyuru Guruge's ERP implementation journey since 2016, who has been working in the industry for nearly 10 years, reflects the challenges and transformation of ERP solutions in Sri Lankan hotels, including experiences he gained through projects such as historic Sri Lankan hotels, such as Queens Hotel and Swiss Hotel.

Throughout this article, we will explore what sort of challenges the hotel industry faces before ERP system evolution, and at the same time, in implementing ERP systems in their entities, and what sort of advantages they could gain by implementing such systems, and also what the future of this ERP-integrated hotel industry will be.

"ERP systems are redefining how Sri Lankan hotels connect service, data, and decision-making into one seamless experience."

From manual systems and silos to integrated systems

Q. ERP's Impact on Performance in the Hospitality Industry? Have you noticed any measurable outcomes such as improved customer service, cost reduction, or faster decision making?

At the early stages of Mr. Miyuru's career, he received the privilege to join one of the landmark projects: implementing a cloud ERP system for Kandy's iconic hotels. Miyuru stated that before these implementations, even though most of the hotels in the region had some level of automation, they were heavily reliant on a few specialised operational tools, which do not integrate the whole process of operations.

"Most organisations had certain functions automated, but these were handled by specialised applications that were not integrated solutions; they addressed only one part of the business operation. This resulted in numerous tasks being performed manually, such as preparing the business records, handling financial sales, and generating reports, leading directly to efficiency deficits within the company."

The problem with those systems was that they were more time-consuming and often caused data inconsistencies. Employees who worked with such siloed software and systems wasted

hours generating invoices, purchase orders, and financial statements manually, where there were many instances of data duplication across multiple standalone systems, which led to more human errors and inconsistency in data and misleading reporting.

With the implementation of ERP systems that integrate every step and process of operations from reservations, finance, inventory, and even the kitchen, into a single centralised platform, management has been able to reduce the aforementioned challenges and errors that were happening earlier and led to more efficient and successful management of its operations.

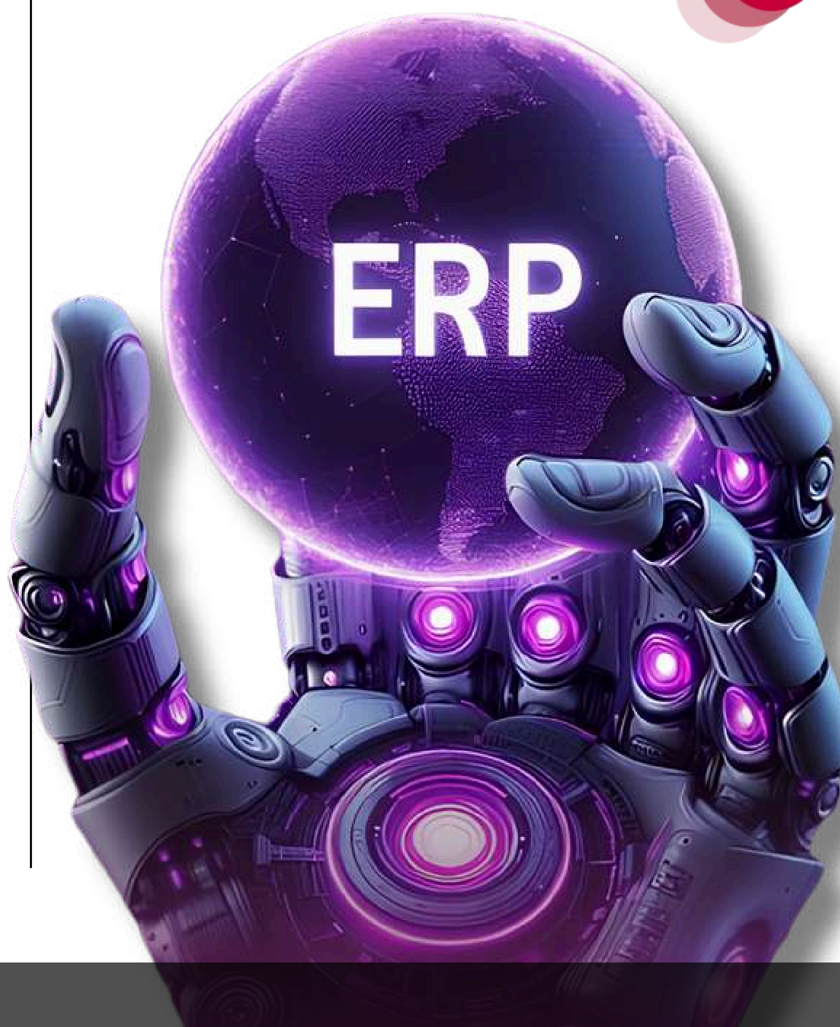
“The transition from fragmented systems to centralized ERP platforms marks a turning point in hospitality management”

“Now we can bring it to a one-net-one integrated system communicated in a centralized mode. So, this definitely relieved the time-consuming task, which has been drastically reduced - you can manually create an invoice, you can manually create a purchase order, so these things are just a click of a button task now....”

Also, Miyuru stated that with the implementation and shifting to ERP systems, it has not only reduced time consumption but also ,

made it possible for management to reduce the cost of operations, and they are able to rely on accurate and up-to-date information that can be used to make accurate decisions.

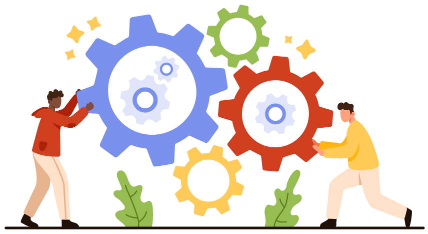
“When we come to these cloud-based systems, we can get real-time information, real-time transactions; for example, management can view current OPC, revenue, and the operational cost. They can make informed decision data-driven decisions.”



Q. Challenges in implementing ERP in Hospitality in Sri Lanka?

The Curve of Implementation

According to Miyuru's experience, he believes that with the feedback they have received throughout the journey of implementations, the cycle of ERP implementation is rarely a smooth process. It can be identified in 3 stages:



Enthusiasm at the beginning

At the beginning of the implementation, most of the people from hotels who are involved with the implementation team show a positive concern about this implementation.

"When we started, everybody was at the top peak level. So, they have a very positive outlook, looking to come into an ERP system."

Frustration during the implementation

As time passes, that enthusiasm and positive mindset of the employees who are joining from hotels will fade due to the increase in workload, mass data transmissions, etc., where they will get an extra responsibility apart from their daily operational tasks.

"But if on the implementation side, that will drastically reduce because of the workload coming in that is complex, massive data, and transactional data that we are requiring. So, it will put a lot of pressure on the team, and the employees will definitely have an impact because they have to accommodate it while they are doing their daily operations. So, it's a kind of hassle for them. So that kind of part is anyway in any kind of implementation. So, the project management and the stakeholders involved in this uh implementation to handle care to make it a success."

Post implementation

After the time of implementation (usually around 2-3months), employees have to adjust and adapt to these systems, where it is very important to change their mindsets towards this transformation. According to Miyuru, it will take a minimum of 6 months for the hotel and its staff to adapt and stabilise the system in their hotels. During this period, they will be able to identify the gaps and requirements that are needed to improve the system efficiency. And this is where the implementation team plays a massive role in adjusting to give their customers what they want.

"There can be situations where uh, the company needs to streamline the operations, employees need to change their attitudes and their practices - people start to realise the benefit, the convenience uh, and by around 6 months most of the companies come with uh the feedback like where they were and how easy now for them."

This cycle explains that ERP implementation in hotels is not just concerned with the systematic transformation. There should be a willingness and enthusiasm among the employees, as well as a shift towards these transformations, where technical expertise and cultural changes have to be made within the organization in order to get maximum results out of the transformation.

Therefore, the management has a major role in preparing the required environment in their organisation, and at the same time, the other employees should also cooperate and give their support and contribution to these changes.

Q. What would be the Future of ERP in the hotel Industry?

As Miyuru stated, of course, the hospitality industry in Sri Lanka contributes to a significant portion of the nation's GDP. Therefore, the Sri Lankan government also provides special incentives and positive directions, and opportunities encouraging local individuals who are engaging in the hotel industry to expand and develop their entities.

"So, they're considering , the major part of their GDP. So, the guidance provided by the government gives local companies positive encouragement that they are willing to expand those opportunities."

Apart from that, with the advancement and ease of process automation, most of the hotels show an interest in implementing ERP systems in their hotels and resorts. Most importantly, he stated that even the people who were reluctant to implement ERP systems during the pre-COVID era also show their interest and are willing to invest their capital in implementing ERP systems to advance and streamline their operational processes. With these stated, there is a high demand coming up in the near future, despite the concerns in the economy, in order to upscale their operations and optimize their entity performance.

"The local vendor who were not willing to invest during this prior COVID period are now willing to invest their money in ERP systems and scale their operations. So definitely there will be uh there will be high demand coming up in the near future unless there are the conflicts the global conflicts uh unless uh there are such major concerns."

With that being said, we can conclude that ERP implementation is necessarily important to improve the performance of operations in the hotel industry by transferring the operations away from siloed, labor-intensive, manual, and inefficient methods. The Implementation of ERP systems or applications can effectively connect the key operational processes, such as reservations, front office, back-end processes, etc., through the transformation of traditional approaches into a single centralised system.

Through these transformations and cloud-based systems, the stakeholders who are involved in the hotel operations will be able to reduce the data redundancy and operational cost, which leads to better decision-making and operations management as they will have access to updated, real-time data and information required.

Most importantly, the implementation teams and ERP software providing companies also have a major role in carefully implementing these ERP systems and supporting the hotel employees to face the challenges that they may go through during this transformation to make them realize the advantages, ease, and convenience of using such ERP systems in their operations to boost organisational productivity.

Given the substantial economic dependence on the hotel industry, ERP software companies also have a massive opportunity to expand their businesses with the drastic increase in demand for ERP systems emerging in the hotel industry. By improving their products and services to align with the technological development and complexities in order to provide and sell advanced and efficient ERP applications or systems to their customer base.

"The future of Sri Lankan hospitality will be driven by intelligence, automation, and connected systems."

03

Trade Impact on Sri Lankan Exports

THE IMPACT OF TRUMP TARIFFS ON EARTHFOAM PVT LTD

By M.T. Ishani De Silva
Department of Commerce
University of Sri Jayewardenepura

The global economy is a complicated network of shared trade linkages, and a single policy change in one major country can send ripple effects throughout the world. Tariffs, or taxes on imported goods, are a strong way for governments to impact international trade flows. As suggested in international trade theory, these taxes are usually assessed as a percentage of product value and paid by importing firms. The administration of President Donald Trump has made tariffs the central piece of its economic policies. The administration argues that tariffs protect the domestic industry, reduce trade deficits, and encourage other countries to change their existing trade practices.

For exporters around the world, these steps were not mere political action, but concrete disruptions that changed their ability to compete in international markets.

INTERVIEW PROFILE

Mr. Asela Jayalath
Marketing and Sales Manager
Earthfoam Pvt Ltd.

In April 2025, the Trump administration imposed a 44% tariff on select foreign goods, including bedding products. They later reduced it to 10% for 3 months, and increased it back to 20% in July. While this was part of a political effort by the Trump administration to strengthen U.S. manufacturing, it was a nightmare for international exporters.

ABOUT EARTHFOAM PVT LTD

Earthfoam Pvt Ltd is one of Sri Lanka's most successful private-sector exporters, renowned for its many high-quality mattresses and pillows sold under its brand. The brand is built on three pillars:

Sustainability - Approximately 70% of its production is made using organic materials and supports consumers' demand to obtain sustainable products globally.

Customer loyalty - Nearly half of its exports are shipped to the U.S. market, including long-term buyers, which helps generate a portion of the company's consistent revenue stream.

Competitive design and quality - The company is known for innovative product lines meant for the latest-design mattresses, down to pillows produced for a diverse clientele in homes and hospitality.

Before 2025, the U.S. was Earthfoam's most stable and strong market. The zero-tariff regime in place meant stable prices and predictable quantities for their product. However, that heavy reliance made the company vulnerable to sudden policy changes.

For Earthfoam Pvt Ltd, a Sri Lankan exporter of sustainable mattresses and pillows, this geopolitical strategy was not an abstract idea, but a direct and real threat to the company's continued viability. With a business model focused on 70% organic usage and a loyal set of customers, 50% of whom were in the US market, Earthfoam was very subject to American trade policy.

The drastic and rapidly changing nature of the tariff rates compromised accurate cost calculations, narrowed profit margins, and ultimately weakened customer demand in the primary market for the product. This article in an international trade magazine examines how Earthfoam's export performance, labor, and relations with its customers were affected by tariff changes.

Tariff Volatility: A Timeline

It is important to analyze tariff and price volatility to understand the implications that Earthfoam Pvt Ltd experienced in 2025. On 2 April 2025, the Trump administration placed a 44% tariff on selected Sri Lankan exports, including rubber-based bedding products, halting all export-related activities instantly. Due to pressure exerted by business communities in the U.S., the tariff was temporarily lowered to 10% on 8 April 2025 for three months, providing a temporary reprieve. However, the tariff was raised to 20% on 8 July 2025, indicating a signal of a long-term shift in tariff and price trends.

The first impact was immediate. Earthfoam's mattress and pillow exports to the United States declined sharply as importers faced increased costs.

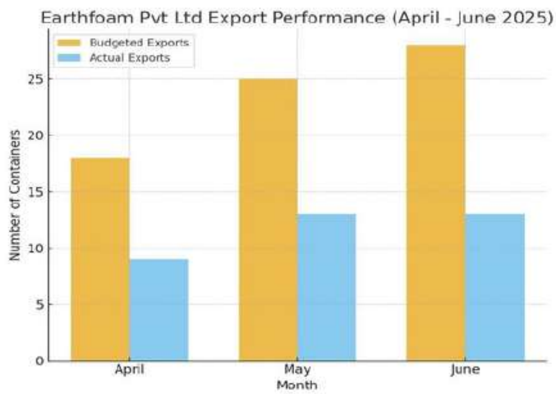
A Sudden Drop in Exports

The first hit was quick. Earthfoam used to be right-sized on many U.S. shipments, and now all their products are going to be delivered with a tax component.

Table 1: Earthfoam Pvt Ltd Export Performance (April–June 2025)

Month	Budgeted Container Exports	Actual Container Exports	% Shortfall
April	**18**	**9**	**-50%**
May	**25**	**13**	**-48%**
June	**28**	**13**	**-54%**

Source: Developed by the researcher based on Interview Results



The April 2025 tariffs were a wake-up call for Earthfoam Pvt Ltd. The firm initially budgeted 18 containers of mattresses for export to the United States in April, but by the end of the month, only 9 containers had actually shipped. The issue did not improve in May, when 25 containers were planned, but only 13 containers left port. The trend continued for June, when exports fell to 13 containers, short of the 28 containers the firm had expected to export. The downward spiral of export activity, illustrated in Figure 1, was a glaring reminder of the widening reality gap as tariffs and trade regulations set in.

Financial, Workforce, and Customer Impact

Financial Impact

Subsequent to these shortfalls, the firm's finances were dramatically negatively and impacted. The immediate financial consequence of shipping fewer containers was that revenue streams became severely constricted, which negatively impacted the company's ability to remain viable within the parameters of "acceptable profit" as a metric of performance.

Workforce Impact

The impact on the workforce was less direct and profound: employees who previously relied on performance-based incentives that evolved with the firm, experienced a significant setback when these reinforcements to their wages were suspended. Employee morale began to dip after employees learned their company was facing a clear financial crisis and the impact it could have on their jobs. Productivity began to drop, and turnover was beginning to occur, an alarming development for a company of employees who were skilled tradespeople who were paramount to the firm maintaining production quality.

Customer Impact

Customers also responded quickly to the changing market dynamics. Faced with elevated tariffs costing them higher prices, the long-time Earthfoam's customers in the U.S.A. began using competitors in low-tariff or no-tariff foreign countries, like Guatemala, for their orders. This erosion of customer loyalty added to the sense of instability, and the U.S. market was no longer stable and profitable, but an unknown and volatile realm.

Earthfoam's Strategic Response

Although the tariff crisis was a significant scenario, Earthfoam Pvt Ltd would not be destroyed.

Instead, the company developed a multi-layered response that focused on its financial viability and operational efficiency, as well as its long-term market positioning. In other words, Earthfoam believed they could find a way to survive for now and develop some resilience for the future.

Early in the crisis, Earthfoam decided to protect its customers from the worst of the tariff increases, which meant absorbing the 10% duty and, in some instances, more than that (an additional 5%). At the same time, Earthfoam chose to lower the price of its mattresses and pillows to compete with foreign competitors. This was sometimes very painful in terms of margin reduction; however, Earthfoam made a strategic multifaceted sacrifice aimed at protecting customer loyalty. By reducing the financial pressure on buyers, Earthfoam was able to keep its customer relationships from imploding at a time when many businesses would have seen mass defections.

To counteract the damaging effects of the political fallout from lower sales and reduced margins, Earthfoam actively turned inward to contemplate its operations. Purchasing patterns for materials were adjusted downwards in proportion to the amount of manufacturing sold; that way, materials were not wasted on inventory that was no longer being sold or manufactured. As part of this rethink, the company began to employ lean manufacturing processes, and the waste of materials in the manufacturing process was reduced. Shift patterns were modified, overhead costs were eliminated, etc. While some of these changes were out of necessity to survive, they stimulated an organisational change with respect to the collective acceptance of efficiencies, which would cause lasting efficiencies long after the tariff crisis had passed.

Despite the severe challenges created by the U.S. tariffs, Earthfoam Pvt Ltd responded strategically by focusing on customer retention, operational efficiency, and global market diversification to ensure long-term business sustainability.

The effect of the U.S. tariffs was felt throughout the export industries in Sri Lanka, especially rubber goods manufacturers. During this phase, one of the most important advocacy efforts happened through the Sri Lanka Association of Manufacturers & Exporters of Rubber Products (SLAMERP), which reached out to the government of Sri Lanka and the U.S. Embassy.

While this activity had very limited success and ultimately met with higher tariffs of 20% as of July 2025, this activity was effective in bringing awareness at the country and international level. As of mid-2025, Earthfoam had adjusted to the changing tariff conditions in the country through cost absorption and diversification.

Looking Ahead

Looking forward, Earthfoam has lofty goals that align with its newfound status as a globally oriented exporter. The company is aiming to grow its market share from 40% to 60% by the end of 2025 through expansion into Europe and Asia, in parallel with its existing U.S. business. The number of customers is anticipated to grow from 149 to 250 through marketing promotions and, more importantly, by being appealing as a sustainable product.

The total volume of exports in the lean months of April to June amounted to only 35 containers, but in the latter months, the company expects to export over 100 containers. Earthfoam has a clear strategy to balance a global customer base while positioning itself as eco-friendly in a marketplace that is increasing in demand for sustainable products.

The imposition of tariffs by the Trump administration in the year 2025 marked a turning point for Earthfoam Pvt Ltd. What started as a surprise in a policy change has become a strong driving force for change within the organisation. The measures taken by Earthfoam to transform its functioning in terms of pricing, efficiency, and diversification have not only helped it survive the crisis but have also made it more resilient. This is a strong learning experience for exporters in a dynamic global trade scenario.

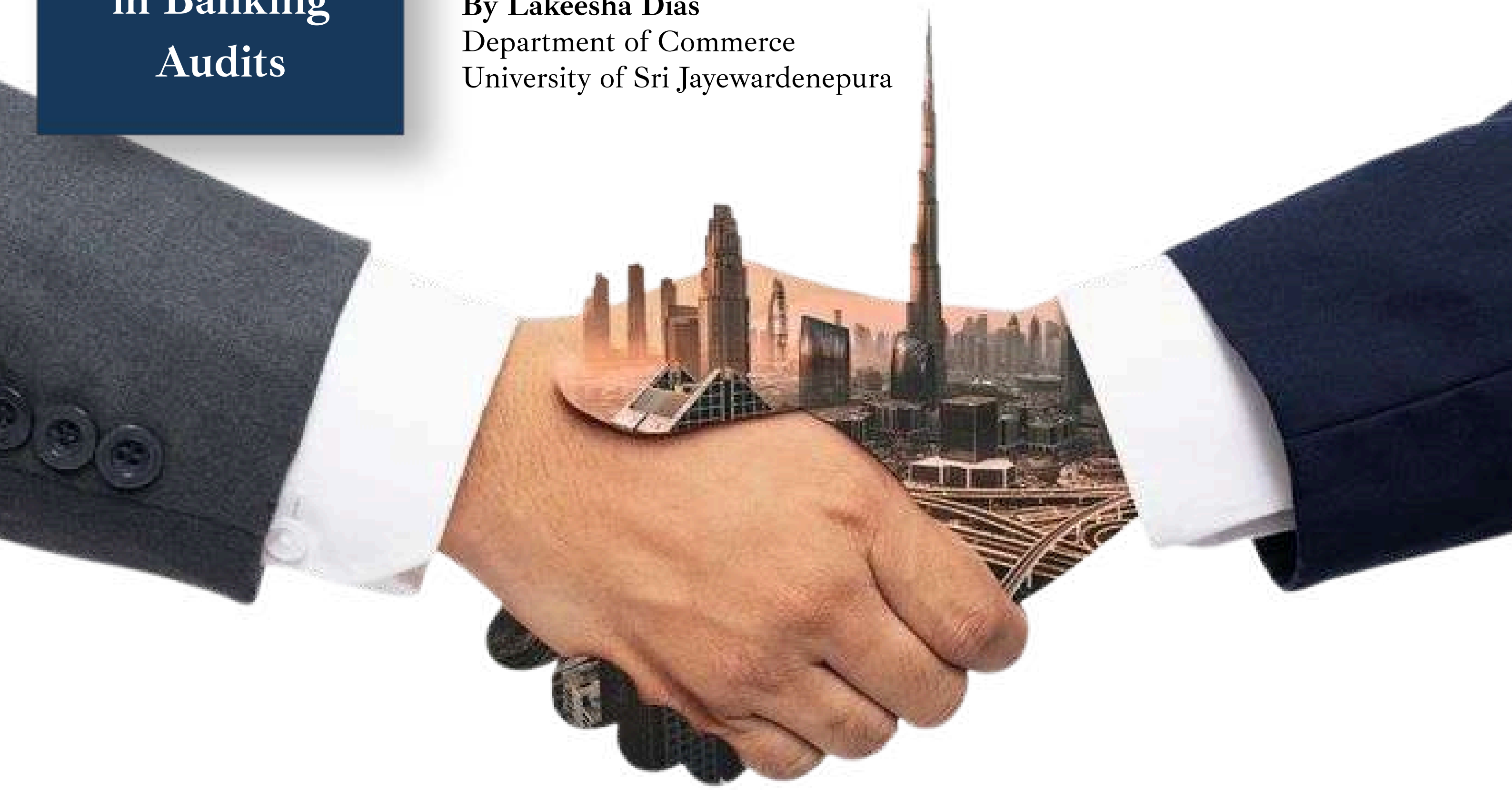
Earthfoam's experience demonstrates that resilience, adaptability, and strategic innovation are essential for exporters seeking success in an increasingly uncertain global trade environment.

04

Digital Transformation in Banking Audits

THE IMPACT OF DIGITAL TRANSFORMATION ON INTERNAL AUDIT FUNCTIONS IN THE SRI LANKAN BANKING SECTOR

By Lakeesha Dias
Department of Commerce
University of Sri Jayewardenepura



INTERVIEW PROFILE

Mr. P Maduwantha Liyanage
Chief Internal Auditor
Bank of Ceylon

In this interview, we have the privilege of speaking with Mr. P. Maduwantha Liyanage, the Chief Internal Auditor at the Bank of Ceylon. With over 20 years of post-qualified experience, Mr. Liyanage is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka and holds a BSc in Accountancy and Financial Management (Special) from the University of Sri Jayawardenapura. He is also a Certified Information Systems Auditor (CISA - USA).

Before joining the Bank of Ceylon, Mr. Liyanage held significant roles in the internal audit functions at Commercial Credit & Finance (PLC) Ltd. and Pan Asia Bank. His career also includes key positions at Lanka Clear (Pvt) Ltd. and Ernst and Young. In this conversation, Mr. Liyanage shares his insights on how digital transformation is reshaping the internal audit function, the challenges of digital banking, and the role of data analytics and automation in modern auditing practices.

> **Traditional audit methods alone are no longer sufficient in today's digital banking environment.**

Q. How has digital transformation redefined the role of internal audit in the banking industry, especially at Bank of Ceylon?

By elaborating, the function of the internal audit function is to support the bank in achieving the strategic objectives by independently evaluating the adequacy and effectiveness of governance, risk management, and internal control systems. And providing the assurance, advice, and insights to management and the board.

So, this covers the entire horizon of the bank, including all the policies, procedures, and processes of the bank. When the bank is implementing digital strategies and formulating digital systems, the internal audit also needs to go inline with that part. Specifically, Bank of Ceylon is the largest account for around 30% of digital transactions, and BOC is the largest bank operating in the country, and it's a very high digital-service bank that annually gets a number of awards from various institutes. So, digital transformation is a must. Then the internal audit department also has transformed to the digital transformation. For that purpose, the internal audit department needs required people, processes, and technology to cope up with this challenge.

In the BOC internal audit department, we have the largest information system (ISARC) certified professionals in the country. So, people-wise, we invest in a lot of people; BOC's training budget is the largest training budget in the country. We train people to cope up with these challenges from the people's side.

Then, the processes side—whenever a digital transformation or any technological implementation of the system occurs, internal audit staff will participate from the beginning, actually from the RP stage as observers. Then they get the required knowledge and their inputs as well for this development process. Then, on the technology side, BOC's economic department invests in the technology to cope with these challenges. The internal audit team has lots of forensic audit tools, job monitoring tools, and a lot of tools to monitor these digital transactions. So, the skill set of internal auditors also has to transform with the digital transformation.

So, actually, it's a challenge, but we are up to the challenge. We have foreseen the challenge, so we have already started to face these challenges, and we believe we can meet these challenges very easily. For this, we have established internal capabilities and all the people, processes, and technology angles, so internal audit can meet this challenge.

> BOC has strengthened its audit capabilities through skilled professionals, advanced tools, and technology-driven processes

Q. What types of risks have emerged with the growth of digital banking, and how is the internal audit function adapting to address these challenges?

We consider technology transformation as a journey, and the internal audit function is also part of that journey. The internal audit function plays a very vital role in supporting and helping us adapt to that journey. As the finance landscape continues to be reshaped by rapid technological advancements, or rather digital transformation or the new AI era, it is relevant, agile, and effective. So, as the internal audit division of BOC Bank, we have fully identified the requirement. We have recognized that traditional audit methods alone are no longer sufficient to meet the growing complexities and challenges within the industry. So, for that, we are committed to embedding a dedicated audit approach that will enhance our ability to assess compliance, evaluate controls, and support data-driven decisions across the bank. That means, to fulfill our mission, we are increasingly open to using modern technology to conduct more efficient and meaningful audits with the latest audit tools.

Those tools will enable us to continuously monitor the critical processes and transactions, allowing real-time detection of anomalies and exceptions, performing datadriven testing across entire databases and data sets, moving beyond the limitations of traditional sample-based audits into traceability and documentation for auditors, thereby enhancing transparency, accountability, and audit quality. In order to support these objectives, we have invested in a new technology-driven system called the Agile Integrated Interactive Internal Audit System. We are right now at the development stage of this system, upskilling our staff with data science and emerging technologies, exploring AI and machine learning to uncover hidden risks and strategic opportunities by aligning our tools and capabilities. The bank's digital journey is not only to uphold strong governance and compliance but also to create strong long-term strategic value in an implicitly digital future.

Q. How is data analytics and automation being used in internal audit processes at BOC?

Since everything is in the systems, the bank uses data analytics at a very high level. The internal audit process is involved in 4 stages: audit planning stage, audit execution stage, reporting stage, and follow-up stage. In all these 4 stages, we use data analytics.

Whenever we use annual planning, it's a risk-based approach or to decide the risk areas, we follow data analytics. And for the individual assignments, data analytics is used to identify the risks in the particular assignment. Then, we execute our audits using different tools to understand the risks via data analytics. Then for reporting, also, to have an objective, we use data analytics. Then in the follow-up process, we also use data analytics to see how long it takes to rectify and why it takes so long for that process.

This is because our data process involves more than about 4 billion customers in the bank, and for those customers, we have a huge data set, so it is practically impossible for us to manually analyse data. For that, we have designed our own data repository and data warehouse systems to analyse that data. Then, we fully utilise automation. Not only that, we have a separate forensic lab to identify abnormal patterns in the accounts, especially in the staff accounts. Then, via data analytics, we use it for fraud detection as well.

Q. What challenges do auditors face when auditing digital platforms such as mobile banking, online banking, and fintech partnerships?

The major challenge is in order to identify the root cause: the lack of availability of audit trails, that means transaction logs. Sometimes, with system issues, the bank loses the transaction logs. Then, the second challenge is when we have multiple systems. The issue is, from which system? Maybe in the network, or any outside service providers like TELCOs, or sometimes from institutions like Lankapay or SEFT switch. It is very difficult to know where the real fault is. Those are the major challenges auditors face with these online banking and fintech partnerships. Sometimes, there may be inherent limitations or inherent bugs in the system.

Heavy reliance on vendors and system limitations creates additional risks for internal auditors.

The bug will start its operations once in a while, and it is very difficult to identify what the bugs did in the system. Everybody has to rely on the vendors' support, and the vendors introduce a new patch, but the intentions of the new patch may be to fix one issue but create more issues.

It is unlike in the manual era where we could see the entire process manually, but since this is within the system, it's very difficult to see. Unavailability of the source code, then the lack of documentation of the systems, and the heavy dependence on a single person in system development and maintenance processes are issues internal audit also has to rely on or accept what they say.

Q. How has digital transformation influenced regulatory compliance and governance in the banking sector, and what role does internal audit play in ensuring adherence?

The regulator's expectation is to have a resilient banking system. They are more concerned about the stability of the banking system and the requirement to have uninterrupted service. Now, since all the transactions are digital, whenever there's any disruption to the system, it will affect the entire digital ecosystem. The first expectation of the regulator is to meet this expectation. They have clearly defined the expectations, especially issuing a digital resilience roadmap. Then, whenever there is a system disruption, any licensed commercial bank is required to report to CBSL with the proper root cause analysis.

So, that is the regulator's expectation. Then, from a governance perspective, now in addition to the corporate or enterprise governance, there is a new governance called IT governance. All the banks are required to adopt this IT governance. So, BOC has introduced the COBIT framework, an ISARC worldwide-recognized framework. The basic principle of the COBIT 2019 is to align these IT strategies with the business strategies and ensure a resilient IT system. That is the IT governance structure.

Then, on how to handle cybersecurity issues, there are a number of concepts like zero-trust infrastructure and the digital trust framework. The bank is evaluating those options to enhance the bank's governance with IT governance. For IT governance, the bank has established an overall IT management level, IT risk management committee, corporate information security committee, board-level board information committee, and information and communication technology committee. So, any IT-related issue should route through these committees. Now, with this digital transformation, there will be other international standards like the development of ISO certification and PCDS standards. So, banks have to meet a lot of governance standards with this digital transformation.

Q. Looking ahead, what steps should Sri Lankan banks take to strengthen their internal audit functions in an increasingly digital environment?

As internationally developed countries have transformed to the digital era probably four or five years before us, now everybody is transforming from the digital era to the AI era. So, we also, as a way forward, Sri Lankan banks also need to move toward this AI era because we are dealing with international banks to par with these international standards.

Now, as an internal audit department, we are also within the bank's digital journey, and we have changed all the people, processes, and technologies to align with the digital transformation requirements. Now, we are looking for these AI requirements, and for that, we are in the process of developing AI auditors.

Sri Lankan banks also need to move toward this AI era because we are dealing with international banks to par with these international standards.

They will provide very quick and accurate results. So, whatever the circumstances, our objective is to fulfill this internal audit mission. For that, we will develop our people, processes, and technologies. Technological aspects: AI will play a major role in the internal audit functions.

Thank you very much, Mr. Liyanage, for taking the time to speak with us today. We truly appreciate your insights and the depth of knowledge you've shared about the evolving role of internal audit in the banking sector. Your experience is invaluable, and we are grateful for your thoughtful responses. We wish you continued success at the Bank of Ceylon.

05

Retirement Dreams Vs Reality

WHAT SRI LANKANS COULD LEARN FROM THE AUSTRALIAN FINANCIAL PLAYBOOK

By Melissa Nugera
Department of Commerce
University of Sri Jayewardenepura

Retirement planning or retirement investments is not just a financial exercise; it is a combination of social, cultural, and personal journey that shapes the way people live in their later stages of their lives. Many developed nations have different means and options that facilitate and support the retirement stage with the intention of creating and maintaining a healthier and happier lifestyle for their citizens. Australia is one such country where its retirement planning has become a systematic and deeply rooted financial consciousness of Australians. However, Sri Lankan's retirement planning stays a bit behind than those countries, due to lack of knowledge and facilities etc.

INTERVIEW PROFILE

Mrs. Shaniya Pereira
Head of Admin Support (Global)
Advice Lab Pvt Ltd.

Throughout this article, we will investigate how Australians and Sri Lankans prepare themselves for the retirement and what sort of support and challenges as well they face. Shaniya Pereira, the Head of Advice Support – Global, joined me for an insightful discussion and was able to share her insights and suggestions that Sri Lanka could adapt to provide a better retirement for their citizens.

Australian retirement planning is esteemed for its well-organized and structured design, and the awareness among the citizens regarding their investment funds. Superannuation scheme lies at the heart of this system, where each Australian would set aside a portion of their earning for their retirement.

Superannuation as a foundation

Q. From what you've seen and with your experiences, how do Australians usually approach planning for their retirement? Do they tend to start early? What kind of financial products or plans do Australians commonly use to prepare for retirement?

According to the government policies in Australia, each employer contributes a fixed percentage of money to their employees' superannuation fund, which is known as the Superannuation Guarantee, to encourage their employees to save for retirement. Shaniya shared her experience on this and we can see a trend of increment in this Superannuation Guarantee percentage from 2021/22 financial year to the current financial year.

"According to the data on ATO I have seen this trend where the Australian government increase the super guarantee contribution percentage by at least 0.5% each financial year, starting from 2021/22 FY up to the current financial year, which is going as a contribution to their employees' retirement fund."

Other than superannuation guarantee, employees also have the freedom to add personal contributions, such as concessional and non-concessional contributions to their superannuation fund, as a means to increase their funds. This fund is basically geared towards a person's retirement lifestyle maintenance as the fund holder is not eligible to withdraw any lump sum amount from this superannuation fund until he/she unless they reach their retirement/ preservation age.

"Mainly it's the superannuation, which they save before their retirement, and this will be converted to a pension phase when they reach their retirement age, where they start to receive a pension payment as per the frequency they prefer. Additionally, they can do a lump sum withdrawal when they require under circumstances."

Therefore, this fund acts as a guaranteed and secured long-term accumulation plan where Australians decides in which funds, they are going to invest according to their risk capacity. The Financial Advisors plays a major role in this process by advising individuals on how to invest their money in the best interest of the individual. And also, under certain circumstances, even when Australians reach their pension age, they might get a chance to add more funds/contributions to their fund.

"Not only in the super phase, once it's converted into retirement phase, under certain circumstances individuals get a chance to contribute to their fund more if they adhere to work-test."

The retirement environment in Australia is not just limited to superannuation; it also consists of different investment funds, annuities, shares, bonds such as funeral/investment bonds and insurances etc., where individuals can contribute even a small portion of their earnings and gain a guaranteed return at its maturity.

Awareness and Proactive Culture

Q. What do you think makes Australians more proactive about it — is it culture, education, or something in their system? are there government policies or incentives in Australia that push people to plan ahead?

> **Yes, of course, Australians have the awareness on how they should plan their retirement life and they are encouraged to start saving for their retirement at the earliest possible. Also, they know the exact purpose that they are going to save funds and also how much of money they are going to take and in which frequency to pay for their expenses.**

The above statement illustrates the awareness among the citizens on what and how they should plan their retirement funds. Retirement planning is not just something that we should focus on when we reach the age of retirement; and Australians are encouraged to plan their retirement at their earliest possible

Most importantly, the awareness and the knowledge sharing done by the financial advisory services or the advisors play a significant role in managing Australians' retirement planning. The guidance provided by the advisors to individuals throughout their investment decisions and advising them on the best products/funds they should invest their super funds normalizes the financial literacy in retirement planning.

Shaniya stated that this retirement planning system has evolved as a blend of the culture, education, and government policies, combining with the great support provided by the financial advisory services and financial advisors.

The Australian government also plays a massive role in establishing a steady retirement fund for its citizens. Especially when it comes to low or middle-income earners who are making non-concessional contributions to their super fund, government may also make a co-contribution up to a maximum of $500 under certain eligibility criteria.

However, unfortunately, most of the Sri Lankans still face challenges in managing their money and investments as they are lack in financial literacy and are afraid to take a risk and invest as of poor financial knowledge.

> Financial literacy and advisory support have transformed retirement planning into a normal life practice among Australians.

Q. How do you compare this with what you see in Sri Lanka, are there opportunities for Sri Lankans also to plan their retirement same as Australians?

"I would say, it might be not the same as Australians have, but up to some extend there are opportunities for Sri Lankans also to plan their retirement, but there can be lack in knowledge among Sri Lankans."

According to the experiences shared by Shaniya, she believes that there are options for Sri Lankans to save their funds in certain investment options like retirement insurance plans, bonds, shares, unit trusts and mainly during their employment they save money in employees' funds. But there are few challenges such lack of transparency, knowledge, expensiveness of investment options and special concern on security as there are lot of scams that individuals could caught even though there are security measures exist.

When it comes to the Sri Lankan EPF and ETF system mirrors the Australian superannuation fund by leaving a portion of employee earnings and employer contributions, with the facility of enabling the account holders to inquire about their account status, fund balances etc., that similarity ends there. However, Sri Lankans doesn't have a clear vision or control on how these funds are being utilized by the government.

Sri Lankans have an opportunity to withdraw their employee funds without at a tax rate similar to the Australian pension phase. However, Australians would have to pay 15% of tax from their superannuation funds.

Apart from the cons of EPF and ETF there are many advantages that Sri Lankans could enjoy such as:

- Mainly financial security – it provides financial support mainly after retirement and also there are special grant where you can withdraw a portion of your employee's fund before reaching the retirement age. Like upon marriage, for housing and medical facilities etc.
- Insurance and welfare facilities – mainly ETF provides additional social and welfare facilities such as free life insurances, permanent disability insurance etc. scholarships for account holder's children.

Daily Survival over long-term savings & culture

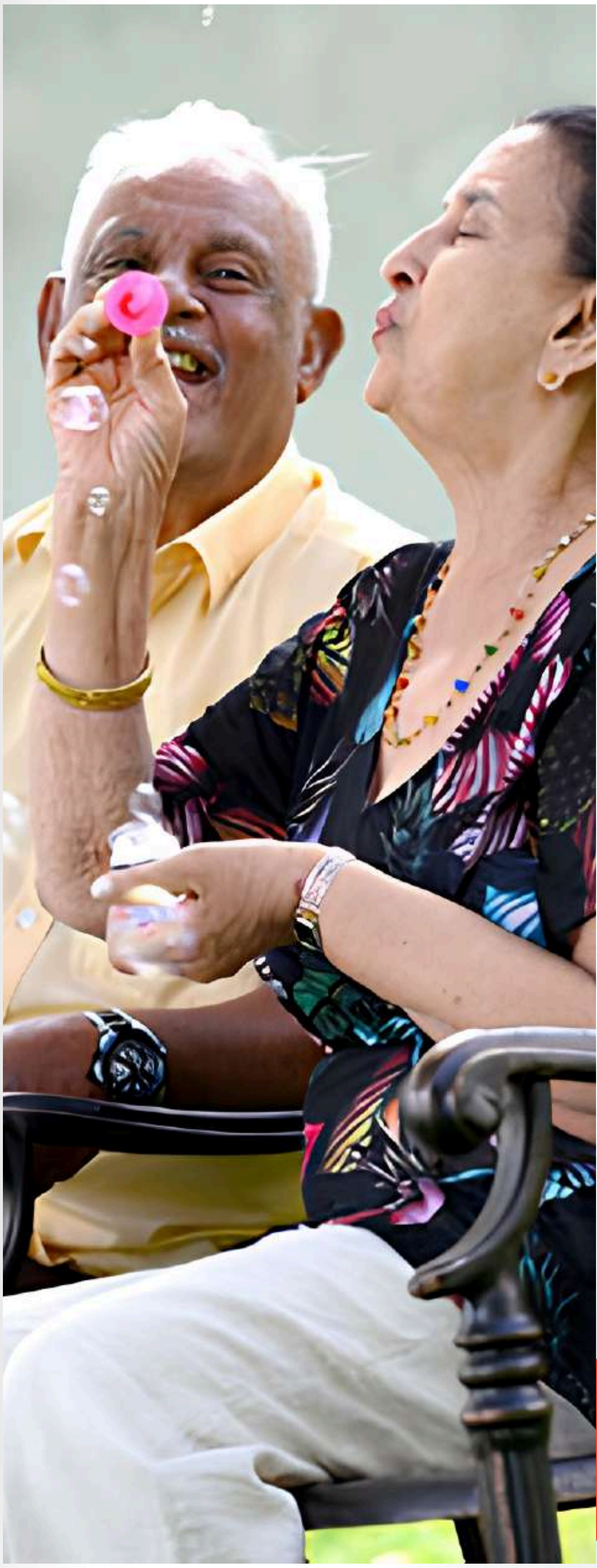
Q. What sort of challenges do you think Sri Lankan's face that make them struggle to make more investments and save money for their retirement? Do you think Sri Lankans also get that same support from the government?

The most concerning point for Sri Lankans in planning their retirement can be the increasing inflation and all the individuals won't have the privilege to earn a higher income or get a good job. This only enables limited room for savings beyond their daily survival. Only a few individuals who earn higher incomes have the privilege to opt into different investment options, while the majority of individuals barely survive.

> "In Sri Lanka, retirement planning often remains uncertain due to economic instability, limited investment awareness, and structural limitations."

We are in a culture where children are expected to take care of parents, but the future is uncertain.

Nowadays, Sri Lankans often need to set aside their retirement dreams as there are more and more responsibilities and concerns that they need to address at present.



"Limited retirement products and low financial awareness continue to restrict the financial confidence of Sri Lankans."

Limited Investment options and a lack of awareness

Unlike the Australian retirement ecosystem, Sri Lanka has a very limited retirement planning option. Even though the government employees receive a pension payment at their retirement, the private sector employees don't have such a system to receive lump sum or regular payment at their retirement other than his/her EPF and ETF. Though the majority of people tend to invest their EPF and ETF funds as fixed deposits, it has a diminishing return when considering the inflation and economic instability of the country. Also, if an individual is expecting to invest in a reliable investment option mostly in shares, they might need to bare a high expense comparative to Australian investment funds due to higher brokage percentage (1.12% approx.) and taxes in Sri Lanka.

Most concerningly, the lack of awareness among Sri Lankans about even the least number of investment options, such as stock market investments or insurance plans, has also led people to avoid making savings and increasing their returns that could be used at their retirement stage.

Q. If you could borrow a few things from the Australian way of doing things and bring them into the Sri Lankan system, what would you choose? And how do you think the Sri Lankan financial industry could evolve to help people plan earlier and more confidently for retirement?

As per the discussion and its insights, we believe that if the government were to initiate programs to raise awareness on financial planning, and provide investment options tailored to Sri Lankans' saving and risk capacity, it would significantly strengthen financial literacy and empower citizens to make informed decisions. This would also enable them to set aside investment earnings for their retirement.

Also, the financial institutions have room to think out of the box and develop innovative retirement plans or retirement options in a manner that is suitable and flexible, according to the Sri Lankan economy and the earnings of people. For example, plans that could combine both the features of retirement insurance plans and pension schemes could attract middle-income or average-income earners who solely depend on investing EPF/ETF funds in fixed deposits.

Apart from that, the government and the financial institutions can take on a greater role in raising awareness, informing people about the available options, and encouraging them to use these opportunities to build a more relaxed and happy retirement life.

For Sri Lanka, the future involves adapting key principles from more developed countries, such as transparency, inclusivity, innovation, and awareness, etc.

"Sri Lanka's future retirement security depends on transparency, innovation, financial education, and cultural change."

By reshaping the EPF/ETF framework to enhance transparency of its reinvestment within the country, increasing government contributions, and promoting cultural change, the country can enable its citizens to plan for a more confident and secured retirement life. The goal is to transform retirement from a source of uncertainty and dependence into a phase marked by dignity, independence, and satisfaction similar to other nations that maintains a secured retirement phase for their citizens.

06

Beyond Compliance

HOW EXTERNAL AUDITORS ARE EVOLVING INTO STRATEGIC ADVISORS

By Binuri Waduge
Department of Commerce
University of Sri Jayewardenepura

In the large part of the twentieth century, the external auditor conceived simply, as a professional with a ledger in one hand and a calculator in the other, carefully ensuring that every debit matched a credit. This professional image, even though essential to the corporate accountability concept, was mostly linked with compliance, meaning that the auditors existed to validate the compliance with the principles of accounting, tax laws, and the requirements of the rules and regulations.

INTERVIEW PROFILE

Mr. Winclare Rodgrigo
Group Finance Director
Freightplan Pvt Ltd

The nature of the contemporary business environments, which is volatile, is bringing a shift in this perception.

> **"External auditing is no longer limited to verifying numbers; it is evolving into a strategic function that shapes business resilience and growth."**

Organizations now expect more from auditors than just statutory assurance. The combination of technological disruption, economic uncertainty and increasing pressures on investors and regulators are compelling external auditors to play a strategic role, which means that organisations are not only led to certify that they are compliant but also to succeed in competitive environments.

This shift from compliance to strategic advisory is happening globally. The International Federation of Accountants (IFAC) notes that external auditors are increasingly expected to contribute insights into governance, sustainability, and risk management. Leading firms such as PwC, Deloitte, EY, and KPMG highlight "advisory-led audit" as the future. At the same time, regulatory frameworks are changing and the introduction of ESG reporting and integrated reporting is transforming the scope of the external assurance.

In Sri Lanka, the shift has been accelerated by the recent economic crisis. Credible audits are essential because companies are under increasing scrutiny from creditors, investors, and authorities. As a result, companies now expect their auditors to provide insights more than those covering compliance verification and support the development of resilience plans and growth paths.

To explore this transformation from a practitioner's perspective, I sat down with Mr. Winclare Rodgrigo, Group Finance Director at Freightplan Pvt Ltd. With a career that began in 1979, he witnessed the evolution of auditing from hand-written ledgers to artificial intelligence. Our conversation reveals not just how external audits have changed, but also where they are heading.

"Modern organizations expect auditors to provide insights, foresight, and value beyond statutory compliance."

The Traditional Role of External Auditors

When asked about the early days of his career, Mr. Rodgrigo's eyes lit up with enthusiasm. **"In those days, everything was manual. We wrote transactions in ledgers, receipts were carbonized, and auditors checked every entry by hand. Errors were common, and the auditor's job was to ensure accuracy."**

Auditors were essentially watchdogs of compliance. Their responsibility was to ensure the integrity of financial records and adherence to laws. But the scope was narrow, focused almost exclusively on whether the books were balanced and the reports were truthful.

The arrival of computers in the 1980s marked the first disruption. "I remember the first time I saw a computer was huge, running on floppy disks," recalled Mr. Rodgrigo. "Auditors were used to checking ledgers, but now the information was hidden inside systems. They didn't know what was happening inside."

Initially, auditors relied on printouts to perform the same manual checks. Over time, enterprise resource planning (ERP) systems introduced built-in controls, reducing errors and manipulation. This gave auditors more confidence in the reliability of financial systems. **"Today, a trial balance won't let you move forward unless every debit matches a credit," he explained.**

The profession was gradually being pushed aside from arithmetic checking toward analytical thinking.

Compliance as the Foundation

Despite these technological advances, Mr. Rodgrigo emphasized that compliance remains the foundation of external audit. “Compliance is compulsion you have no choice but to do it,” he said firmly.

Audited financial statements are legal requirements for companies. They are essential for tax authorities, regulators, and financial institutions. “When you apply for a bank facility, the bank insists on audited accounts. When you seek partnerships, outsiders want to see audited reports. Compliance is the passport to business credibility,” he added.

This credibility extends beyond statutory obligations. A company audited by a reputable firm enjoys stronger trust among investors, creditors, and partners. “A reputed auditor adds confidence to the organization’s financial statements,” he noted.

Thus, compliance is more than a burden, it is the entry ticket to markets, capital, and partnerships. Yet, as our discussion revealed, organizations today expect auditors to deliver something more.

> *Compliance is compulsion — you have no choice but to do it.*

Beyond Numbers: The Advisory Role Emerges

A turning point in our interview came when we discussed whether auditors add value beyond compliance. Mr. Rodgrigo responded with clarity: **“We in management may follow the same practices for 10 or 15 years, assuming they are correct. But auditors see how dozens of companies operate. They can say: here’s a better way.”**

This is essentially what a strategic advisory is all about. Due to their cross-industry experience, external auditors have a depth of understanding that insiders frequently do not. They are able to identify areas of inefficiency, suggest best practices, and drive forward recommendations that, in fact, improve the financial and operational performance of the company. Advisory contributions are usually added:

- **Operational efficiency:** Optimization of processes and increased control.
- **Tax optimization:** Demonstrating the legal means of reducing tax expenses.
- **Corporate governance:** Assisting boards in being transparent, accountable and consistent with internal audit.
- **Strategic foresight:** Providing long-term lenses that influence major decisions.

As noted in a recent LinkedIn article, Beyond Compliance – How External Audits Drive Strategic Value (Tyxmf, 2025), auditors are becoming “drivers of strategic value” by combining assurance with insights. Mr. Rodgrigo’s reflections strongly resonate with this global perspective.

Risks and Limitations: Balancing Independence and Advice

But advisory roles carry risks. The most critical thing is maintaining independence. **"Auditors must remain independent. Their advice must stay within legal frameworks and should never cross into decision-making,"** warned Mr. Rodgrigo.

If auditors move too far into advisory services, they risk compromising their objectivity. Clients might begin to see them as consultants rather than independent watchdogs, creating potential conflicts of interest.

Data confidentiality is another pressing issue. With auditors increasingly carrying data on laptops, sensitive information leaves company premises. **"In the past, auditors worked on our systems. Today, they carry data on personal devices. That's a huge risk,"** he observed. He suggested that some companies now prefer to provide dedicated machines to auditors to protect data security.

These challenges underline that while advisory roles are important, they must be carefully balanced with the auditor's core duty of independence and assurance.

The Future of External Audit: A Profession in Transition

Looking ahead, Mr. Rodgrigo believes technology will profoundly shape the audit profession. **"Artificial intelligence will replace many traditional audit tasks. Without IT knowledge, the audit profession may face a natural death,"** he said bluntly.

Already, data analytics tools can detect anomalies, flag irregularities, and generate detailed reports with speed and accuracy. Routine checking is being automated, which means auditors will need to focus on higher-value work.

> "In the future, auditors will act like consultants."

Future auditors will need to:

- Develop strong IT and data analytics skills.
- Understand cybersecurity and data governance.
- Cultivate strategic and industry-specific knowledge.
- Evolve into consultants and risk advisors.

"In the past, auditors were compliance checkers. Today, they are becoming advisors. In the future, they will act like consultants," said Mr. Rodgrigo.

This vision reflects a profession that is no longer content to merely check boxes but aims to shape business resilience and competitiveness.

Sri Lankan Context: Local Realities in a Global Shift

These trends are all worldwide, but the case in Sri Lanka is slightly different. The financial reporting can be trusted even more by the economic crises that are facing the country, which involves depreciation of currencies, inflation, and government hiccups. A credible audit is virtually an absolute requirement among businesses that are pursuing foreign partnerships or investment.

Besides, regulatory reforms, such as the impetus to integrated reporting and sustainability reporting, are pushing auditors to broaden their knowledge. Sri Lankan audit firms (both big and the mid structures) are already investing in technology and advisory services to keep up with the times.

In this regard, the shift to advisory is not only a worldwide phenomenon, but a national imperative in case Sri Lanka wants to compete on the global environment in the corporate sector.

"Sri Lanka's recent economic challenges have increased the importance of transparent and credible financial reporting."

From Watchdogs to Partners: A Paradigm Shift

Throughout our conversation, one theme became clear: the auditor's role is undergoing a paradigm shift. No longer seen as mere watchdogs, external auditors are being recast as partners in governance and strategy.

Through their experience in the various sectors, technological expertise, and the expanding advisory field, auditors can assist firms to navigate risk, optimize their operations, and future-proof themselves. Nevertheless, they must retain their autonomy, maintain high moral values, and address such threats as data security.

Conclusion: Adding Value Beyond Numbers

My interview with Mr. Winclare Rodgrigo highlighted a profession in transition. Compliance remains the bedrock of external audit, but it is no longer the ceiling. Stakeholders expect auditors to provide not only assurance but also insights and foresight.

As Mr. Rodgrigo As well as described: **“Your accounts may be accurate, but real value comes when auditors add something more than what the computer generates.”**

This “something more” is the essence of the future auditor’s role. From compliance to strategy, from watchdog to consultant, auditors are redefining themselves as vital contributors to business success.

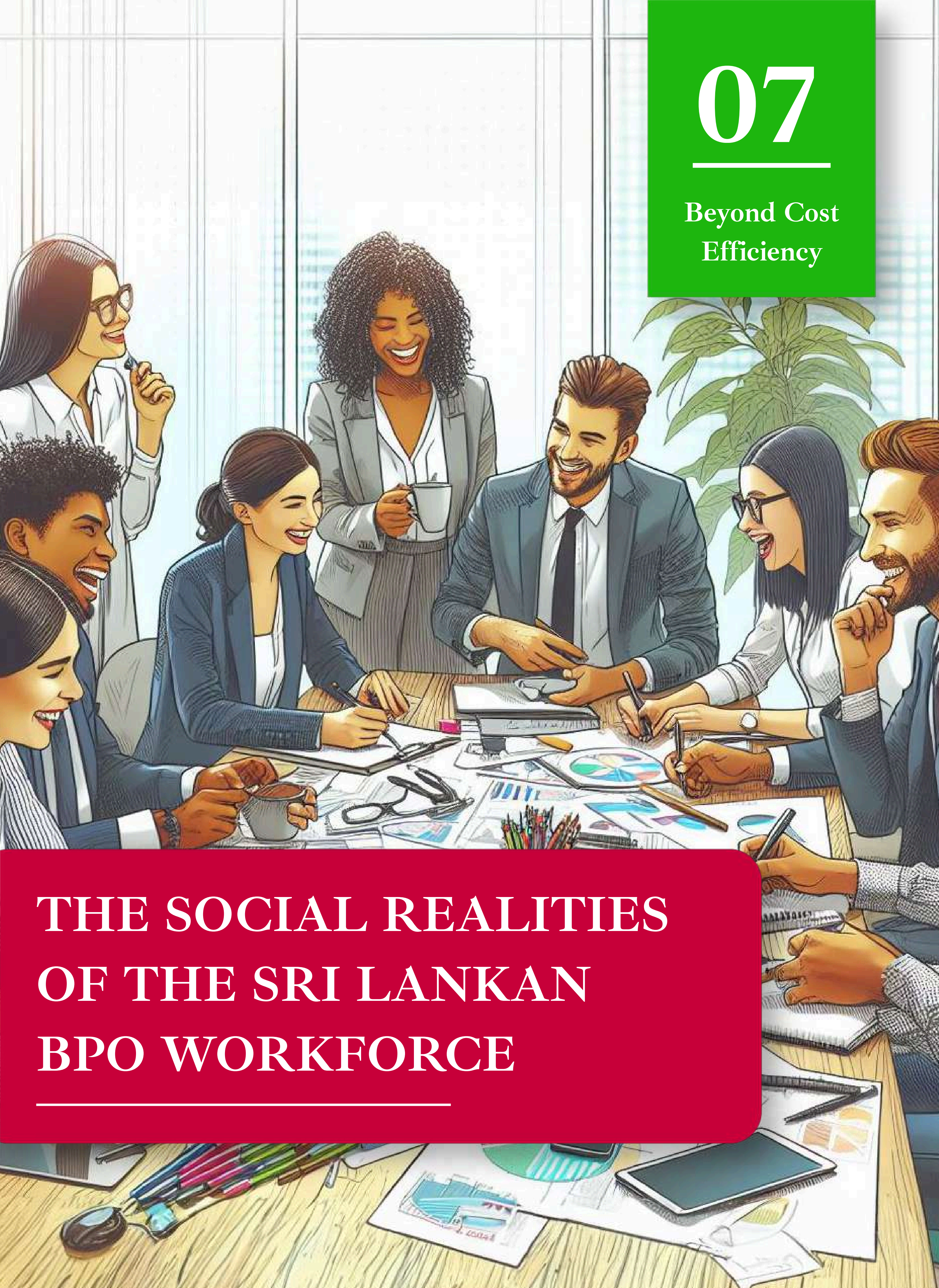
For undergraduates like me, beginning a career in auditing, this evolution is both a challenge and an opportunity. The challenge is to build not only technical skills but also analytical, technological, and advisory capabilities. The opportunity is to be part of a profession that is more dynamic, relevant, and impactful than ever before.

From my perspective as a young auditor, what resonated most in Mr. Rodgrigo’s reflections was the emphasis on adaptability. The tools and systems may change from ledgers to ERP systems to AI, but the fundamental value of auditors lies in the trust they bring to organizations. Trust, however, can no longer be earned by compliance alone; it must be reinforced by insight, foresight, and value addition.

> ***“Your accounts may be accurate, but real value comes when auditors add something more than what the computer generates.”***

As I step further into this profession, I recognize that I must equip myself with not only accounting knowledge but also data analytics, IT literacy, and communication skills. This is not just about keeping pace with change but about staying relevant in a field that is evolving faster than ever before.

In short, the future of external audit is not about replacing compliance. It is about building on it, expanding its scope, and helping organizations thrive in a complex world. Auditors who embrace this dual role will not only ensure compliance but also shape the strategic destiny of the businesses they serve.



07

Beyond Cost Efficiency

THE SOCIAL REALITIES OF THE SRI LANKAN BPO WORKFORCE

By A E H Halpita
Department of Commerce
University of Sri Jayewardenepura

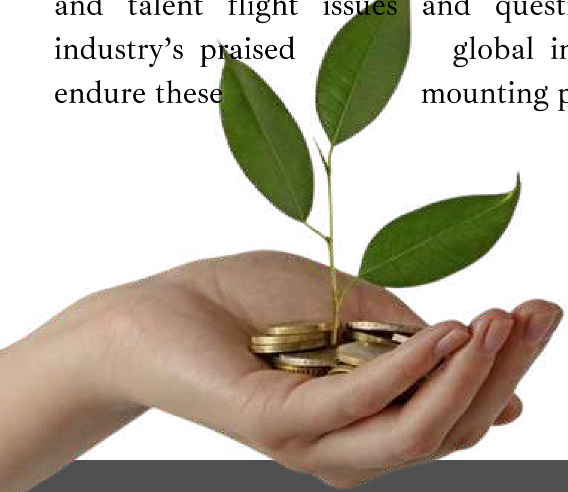
INTERVIEW PROFILE

Mrs. Manuja Athukorala
Manager – Billing & Accounts Receivable
Superloop Communications (Pvt) Ltd.

Superloop, holder of the communication system's backbone and carrier-grade network, seeks to "unleash the unlimited possibilities of the internet." Driven by the desire to acquire the "super from the ground up" philosophy. Superloop further invests and employs talent from all over the globe while focusing on the Sri Lankan market. This functional move is much deeper than just profit-driven, as it seeks to embrace reliability and innovation to add value to the growing number of 400,000 clients served.

However, the promising optimistic model still seems to be met by the starkness of the human capital void. After discussing with one of the Superloop leaders operating in Sri Lanka, the dual crisis facing the industry seems most prominent. The "island's skilled workforce, once a stable asset," crumbles and becomes a "brain drain." Not to mention the stagnant economy, which adds to the burden of retention, which is, "Retention remains a significant hurdle." The bitter truth still lies with an abused and exhausted human link to the customers, the frontline agents, demoralizingly and routinely attacked with savagery by international clients.

This article seeks to understand the contemporary and international realities of Superloop, which operates with a BPO in Sri Lanka. These issues go beyond economics by diving into the racial prejudice and talent flight issues and questioning if the industry's praised global integration can endure these mounting pressures.



Navigating a Decade of challenges and changes in Telecommunications.

A multifaceted professional Accounts Receivable Manager with over 14 years of experience in the telecommunications industry, now leading the Finance department for Superloop's residential, corporate, and small and medium scale business divisions. A strategic leader skilled in improving collection performance, lowering DSO through process innovation, and handling complicated legal credit challenges. Successful team leadership, including recruiting and mentorship, as well as establishing career development plans that link personal progress with essential corporate objectives. Has a solid understanding of financial reporting, stakeholder engagement, and end-to-end debtor ledger administration. This combination of professional success and academic excellence makes her a true all-rounder whose presence transcends several fields, and she has tremendous knowledge in her field, and is a very strong woman who leads her team towards success with motivation.

"I believe individually we all play the game, but as a Team - we can beat the odds. Our operations are also surrounded by handling challenges like racism through targeted training, coaching, and empowering agents to manage difficult situations professionally."

01. A Strategic phase: From Cost Arbitrage to Value Co-creation

Q. From your perspective, how would you describe the single biggest shift happening in the BPO industry today compared to 5 years ago?

"The single most significant shift has been the industry's fundamental migration from a cost-centric model to a strategic value-seeking partnership."

Five years ago, the primary goal of outsourcing was overwhelmingly cost reduction. Companies sought offshore locations like Sri Lanka or the Philippines primarily for labor arbitrage to perform rule-based, repetitive tasks at a lower expense. Compared to back in 2015, Today, while cost efficiency remains a factor, the value proposition has radically evolved. Clients are no longer just looking for a vendor to handle complex tasks; they are seeking a strategic partner capable of contributing to innovation, quality, and business growth. This means the industry now places a greater emphasis on:

Strategic Insight:

- Moving beyond process execution to providing analytical thinking and proactive solutions.

Quality and Innovation:

- Partners are valued for the reliability, accountability, and new ideas their talent brings, not just for completing transactions.

Adaptive Operating Models:

- The shift towards hybrid work models has introduced new complexities, highlighting the need for flexibility and creating talent retention strategies, which themselves have become a key differentiator.

In essence, the industry's core driver has changed from 'how cheaply can this be done' to 'how much value can this partnership create'."

02. The Talent Retention Bottleneck

Q. What do you see as the biggest challenge for BPO companies in Sri Lanka in adapting to new technologies at scale? Is it cost, infrastructure, talent availability, or something else?

“Well, this is a very good question in relation to the BPO sector nowadays, while cost and infrastructure are always in consideration, but I see the biggest challenge for us, and for most BPOs in Sri Lanka, as talent retention and availability, which is deeply intertwined with adopting new technology.” It's not only about finding suitable people anymore, but more about keeping them long enough to build and sustain expertise. The contemporary economic crises have boosted the risk of skilled professionals migrating abroad for more opportunities. Furthermore, the culture in the industry has shifted; professionals today often seek new roles every one to two years, leading to high turnover.

> “Keeping talent has become harder than finding talent.”

This creates a severe situation in scaling technology. For instance, imagine investing funds in a new automation or AI platform. As your group becomes more proficient, you risk losing that trained talent to a competitor or another industry. This constant cycle of hiring and re-training stagnates progress and makes it difficult to achieve the deep, institutional knowledge required to truly scale and innovate.

So, while we absolutely focus on investing in cloud-based solutions and cybersecurity, our primary strategic challenge is building a stable, engaged, and sustainable workforce. We must implement strong retention programs, upskilling paths, and good monetary benefits, company culture, to safeguard our technological investments and drive future growth."

03. Navigating Global Dyanamics

Q. How does top management at Superloop Australia communicate the value of the Sri Lankan operation beyond cost? For example, do they highlight our talent pool, quality of service, or cultural affinity?

“Yes, absolutely. The primary aim of outsourcing has definitely evolved from our initial setup. While cost was the foundational factor, top management now actively focuses on our values on a much broader spectrum. The communication focuses heavily on **our talent pool's quality and reliability**. They highlight that we're not just a back-office function, but we're a center of excellence and professionalism. This is evidenced by the fact that we've successfully migrated and now host entire departments that were previously based in Australia. That decision was huge and was not just focusing on savings; it was a vote of confidence in our team's ability to deliver higher quality work, greater accountability, and bring innovative ideas to the table.

Our exceptional talent, the superior quality of service we deliver, and the cultural affinity that makes our teams so resilient and aligned with the customer's needs. We're positioned as a strategic asset, not a cost center."

04. Broader aims of BPO Operations

Q. How does our operation in Sri Lanka align with the parent company's broader goals regarding social responsibility and global inclusion? Is this seen as a strength of the global brand?

“That's an interesting point. From an operational standpoint, our approach to social responsibility here in Sri Lanka is more parallel than directly integrated. The parent company in Australia and our local operation each have our own methods and initiatives that reflect our specific cultural and social environments. We are absolutely committed to strong social responsibility and inclusive practices locally, and it's part of how we operate and support our community. However, these efforts are not always formally bundled under the global brand's central ESG messaging. Instead, they are seen as a demonstration of our local commitment and operational excellence. So this can be seen as a strength, yes. It shows we are a responsible and valuable entity within the global network. It contributes to the brand's overall capability and ethical standing. Our strength is recognized more in our operational quality and talent, which inherently supports the global brand's goals of diversity and inclusion through our very existence as a successful BPO center."

05. Turning Challenges into Strengths

Q. How do cultural and social differences, including racism, affect Sri Lanka's performance and reputation in the global BPO sector? Can these issues lead parent companies to move their outsourced operations back to their home countries? And what are your thoughts on that situation?

"It's a real challenge we manage proactively. Regarding your first question, yes, we do time to time encounter cultural friction and, unfortunately, some instances of racism from a very small subset of customers. This could affect an agent's morale, and if not handled correctly, this could potentially affect the performance metrics of the employees. However, I believe on the other hand, note that rather than tarnishing Sri Lanka's reputation, meeting these challenges head-on appears to make us stronger. We do not take the negative route. The program includes ongoing training on the use of emotional de-escalation and proper emotional protocols. This constructive and positive technology turns the negative situation into an opportunity to showcase our maturity in dealing with business operations and the care we have for our employees, which is also appreciated by the clients.

Relating to your second question on the return of operations, while an extreme case scenario will always increase the possibility of there being a risk, I do not see it as being able to trigger a mass exodus, which I know is a possibility. The strategic value we continue to provide, in addition to the quality of the work, the talent pool, and the cost, is to now an extent of great importance. The business continuity risk of shutting down a center of excellence over these incidents far outweighs the occasional operational difficulty. Instead, it pushes us to be better to invest more in training, support, and cultural intelligence, making our operation even more resilient and creating more value to the parent company."

> **"Resilience is part of the profession."**

06. Empowered Leadership

Q. Outside of the day-to-day operations, what personal philosophy or motto guides your approach to leadership and motivates you and your team, especially during challenging times?

"My guiding philosophy is actually quite simple: 'Do what matters.'"

In challenging times, you can't always be bound by a rigid process or a checklist. Every situation is unique, and that demands critical thinking and initiative. I encourage my team to prioritize impact over procedure. This means I empower them to come up with their own ideas and make their own decisions, even if it sometimes means stepping outside the established framework.

I believe this approach unlocks creativity and ownership. If everyone just follows a single method, we become stagnant. But when individuals are given the discretion to resolve issues as they see fit, that is when we see an increase in efficiency and productivity. Part of my job is to ensure team members are comfortable thinking of unconventional approaches, and the team feels safe to think out of the box, because often, the best solution isn't the one we originally planned for.

07. Envisioning a Decade of Global Leadership

Q. Looking ahead, what is your boldest vision for this Sri Lankan operation? Where would you like to see this company within the next 10 years?

"My vision is for our Sri Lankan operation to be the undeniable **heartbeat of innovation and talent within the global Superloop network**. To make this place not just a support center, I see us as a strategic powerhouse. In another ten years, I want us to be the go-to Center of Excellence that other regions look to for leadership in not just service delivery, but in developing best practices, pioneering new solutions, and nurturing the next generation of global leaders. I envision a place that sustains itself for decades by building immense value, a place where young Sri Lankan talent doesn't just get international exposure but shapes international strategy.

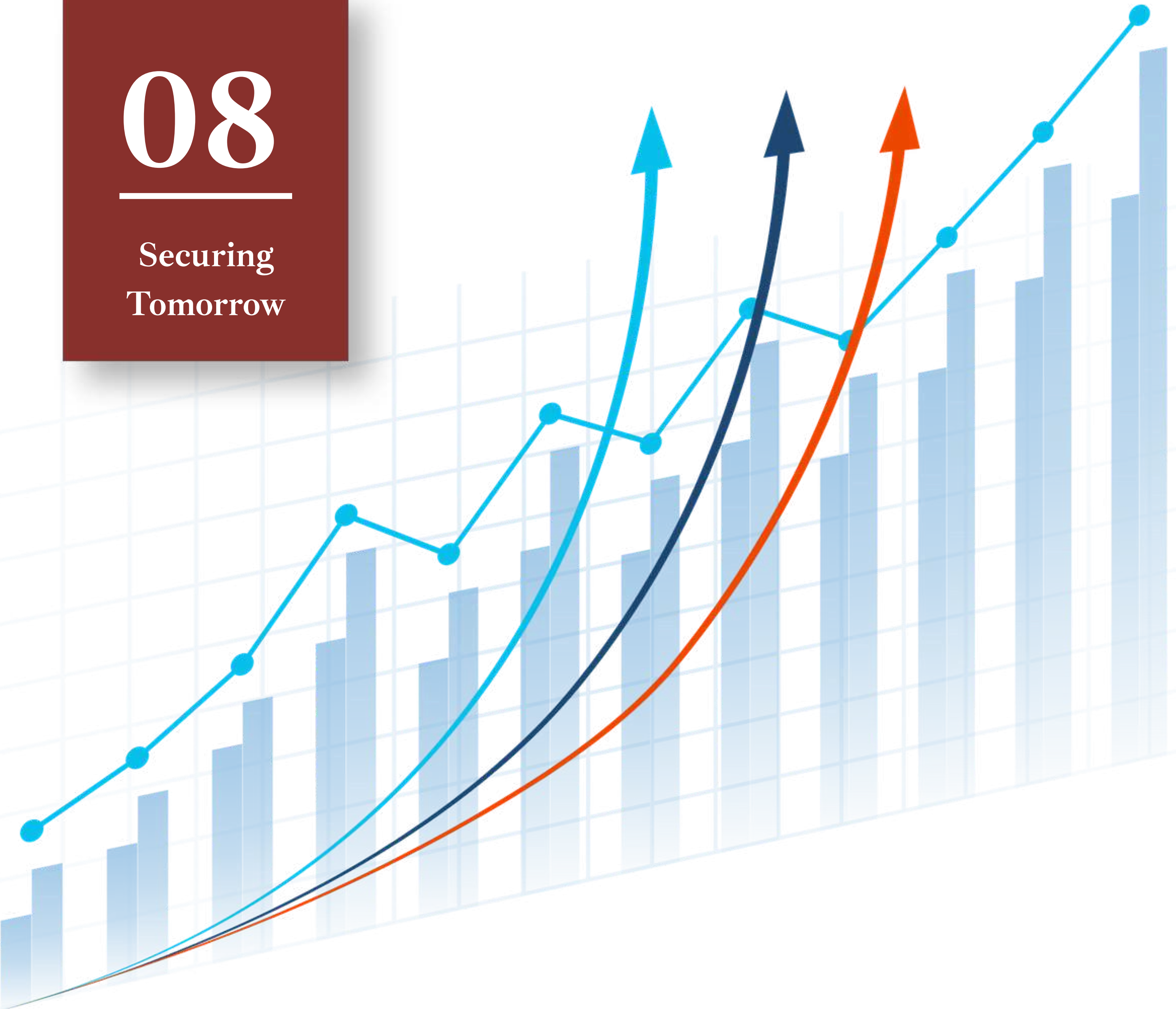
I want this to be more than a workplace; I want it to feel like a family. A place where people feel empowered to face challenges without fear, to speak up with their ideas, and to lift each other up by sharing knowledge. My greatest hope is that future teams continue this legacy, making Sri Lanka a proud global force known for its excellence, its resilience, and its unwavering support for one another. That is how we secure our future and become indispensable."

The future of work is being written in places like this, where talent is nurtured, challenges are met with courage, and value is built with purpose.
Inspired by leadership.

Built on people. Driven by vision.

08

Securing Tomorrow



EPF MANAGEMENT INSIGHTS AMIDST ECONOMIC RECOVERY AND DELIVERY OF MEMBER SERVICES

By Bishan Sanjana
Department of Commerce
University of Sri Jayewardenepura

"Protecting today's workforce for a financially secure tomorrow."

INTERVIEW

Staff Crew
Central Bank of Sri Lanka

In a period marked by economic recovery and financial reform, the management of the Employees' Provident Fund (EPF) has become increasingly significant in securing the long-term financial well-being of its members. The EPF in Sri Lanka has begun its digital transformation. As the country's largest superannuation Fund, EPF has streamlined its operations to achieve its goals. By the end of 2025, the EPF expects to manage approximately over Rs.5 trillion in assets, with 2.9-million-member accounts receiving contributions. In 2024, EPF collected contributions amounting to Rs.234 billion and has paid refunds amounting to Rs.188 billion. The strategic choices made by the managing board of EPF will significantly shape the future of the Fund.

Employees' Provident Fund

The rapid advancement of technology, combined with the recent financial pressures, has created both opportunity and risk in the management of superannuation funds. The EPF, established by the EPF Act, No.15 of 1958, to provide a secure retirement life for the employees of private and semi-government organisations faces the challenge of adapting to modern technologies. While operating in these changing circumstances, ensuring sufficient returns to its members plays a critical role amid Sri Lanka's economic recovery and moving towards the growth.

"EPF continues to safeguard millions amidst economic recovery."

In this context, discussions were conducted with officials of the EPF Department, and observations gathered during a training period at the department were incorporated.This article examines the transformation of the EPF and explores potential strategies to enhance the financial security of private and semi-government sector employees in Sri Lanka, while also providing insight into the evolving dimensions of social security.

Q. As the largest superannuation fund in Sri Lanka, what are the foundational pillars of the EPF workforce in fostering financial security for millions of its members?

As the largest superannuation fund in Sri Lanka, the Employees' Provident Fund (EPF) workforce is guided on several key pillars that foster financial security for millions of its members. Four foundational pillars define the role of the superannuation fund workforce in this regard. First and foremost is trust and accountability. The EPF has been built on the confidence of its members, and it is the responsibility of its staff to maintain that trust through transparency, ethical conduct, and strict compliance with regulations.

Secondly, professional expertise and efficiency are emphasised. The workforce is equipped with financial, actuarial, legal, and administrative skills that are critical in ensuring accuracy in contribution management, record-keeping, and service delivery. This professionalism underpins its operations. The third pillar is prudent investment and risk management. Managing and investing members' funds requires careful judgment, and the EPF's staff is dedicated to balancing security, returns, and risk to strengthen its members' long-term financial stability. Finally, the workforce remains strongly committed to a member-centric service orientation. These employees do not simply process contributions and payments; they actively educate members, streamline processes, and enhance financial literacy.

Every challenge creates a pathway for innovation.

Q. What are the key challenges currently faced by the EPF, and what opportunities exist within policy reforms or innovations to address them?

One of the most pressing challenges is managing investment risks amid economic volatility. Global and domestic market fluctuations, inflationary pressures, and interest rate movements all affect the returns that the EPF can deliver to its members. Balancing security with sustainable growth remains an ongoing challenge. Secondly, the EPF faces the challenge of modernising its systems and processes. With millions of member accounts, ensuring accuracy, efficiency, and speed in service delivery requires continuous investment in technology and capacity building.

Another challenge is enhancing the financial literacy of members. While the EPF provides a strong foundation for retirement savings, many members lack awareness of how best to plan for their post-retirement life. That said, these challenges also open the door to opportunities. Policy reforms can enable greater diversification of investments, ensuring that member funds are managed more dynamically while maintaining prudence. Digital innovations offer the EPF opportunities to simplify processes, expand online services, and enhance transparency for members. Furthermore, collaborative initiatives with policymakers and financial institutions can help the EPF improve retirement planning frameworks and strengthen social protection for the workforce.

Q. How has EPF adapted its operations, especially in supporting economic recovery?

The EPF has played an important role in adapting its operations to support both its members and the broader economy, particularly during periods of recovery. During recent economic challenges, the EPF focused on ensuring stability and continuity in member services. The EPF workforce strengthened digital platforms so that contributions, withdrawals, and account information could be accessed more efficiently, even amid disruptions. This adaptation helped maintain member confidence in the Fund. From an investment perspective, the EPF aligned its strategies to support national economic recovery. A portion of EPF funds has been channelled into government securities and carefully selected investments that not only safeguard members' returns but also contribute to the revitalization of critical sectors of the economy. In essence, by balancing its dual role of protecting member savings while contributing to national growth, the EPF has adapted its operations to function as both a safeguard for employees and a stabilising force in the wider economy.

Q. Looking at Sri Lanka's 2025 economic outlook, what opportunities are available for EPF innovations to enhance the fund's economic contributions?

Several opportunities are available for the EPF to innovate and strengthen its contribution to the economy. Firstly, there is significant potential in digital transformation. By expanding online platforms, mobile access, and real-time account services, the EPF can deliver greater transparency and convenience to members while also improving operational efficiency. Secondly, as the economy stabilises, there will be opportunities to diversify its investment portfolio.

With appropriate policy support, the EPF can explore carefully regulated investments in infrastructure, renewable energy, and capital market areas, sectors that not only provide sustainable returns for members but also support national economic growth. There is also an identified need to enhance financial literacy and retirement planning tools. Empowering members with improved knowledge, financial calculators, and advisory services will help them plan more effectively for the future, ensuring that EPF savings are complemented by informed financial decisions.

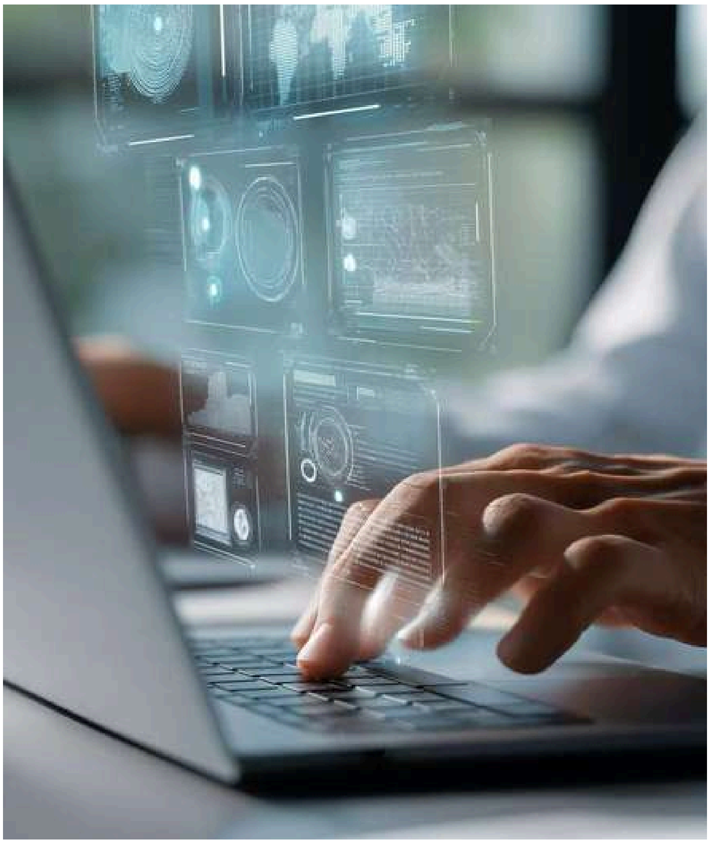
Q. Through this lens, what are the emerging trends in the financial sector that could shape EPF's future strategies?

Digital transformation is essential in the financial sector and in both EPF operations and member services. With the evolution of technology, artificial intelligence and machine learning play a vital role in the future of data-driven decision making. These technologies are no longer optional; they are now a requirement for an entity to continue operating.

These technologies are also critical for the provision of financial services, as they help with data analysis and risk assessment. They support decision-making by identifying better investment decisions and market timing through accurate investment strategies based on big data analysis. Additionally, artificial intelligence and machine learning help to identify refund patterns and predict member contributions for the coming months. Therefore, this provides insight into the funds required to meet members' refund obligations and the amount available for investment.

"Technology is transforming how retirement funds operate."

Thus, it is evident that the EPF needs to invest in IT infrastructure, and talent acquisition needs to be carried out by the EPF. It is essential to recruit and develop personnel in order to adopt new technology, and knowledge sharing among personnel will improve staff capabilities in delivering more sophisticated financial services.



Q. What are some key recent initiatives at EPF, such as digital platforms and how have they impacted service delivery?

To improve member-related services and service delivery, the EPF has recently launched significant changes as part of the ongoing digital transformation. One of these changes is the introduction of an online service for employers and employees. Employers can now submit monthly contributions via the electronic media portal and view real-time updates on payments made to the Fund. Employees can now view their member balances online, submit inquiries, and request their contribution history via email.

Additionally, multiple divisions in the EPF Department are beginning to implement a paperless initiative. Document management systems are in place, cloud services are being employed, and digital systems are being used for document retention, archiving, and retrieval. System modernisation is another of these initiatives have enabled us to deliver services to members quickly, securely, and reliably. All these initiatives, taken together, create an EPF service environment that can greatly enhance member accessibility and confidence.

Q. How is EPF integrating emerging technologies, to enhance services like claim processing and member engagement in the digital age?

Innovations in technology have enabled more streamlined processes in member services, resulting in greater efficiency, and this remains a vital aspect of effectively serving EPF members.

Regarding the EPF claims process, members are able to check the status of refund (withdrawal) applications, complete online verification, and benefit from real-time cross-process integration with relevant government authorities from the initial stage of claims. These developments improve both the speed of processing and service delivery while minimising the likelihood of errors. Most importantly, the EPF places strong emphasis on the member experience and strives to ensure simplicity and transparency throughout the various stages of the claims process.

> Paperless transformation improves efficiency and accessibility.

The EPF has initiated a variety of services, including digital options such as web portals, and members can now receive SMS and email notifications. These services enable members to receive real-time transaction updates and to access their accounts in full. Further, digital services, combined with SMS and email notifications, help keep members informed about their accounts and related services.

Understanding and analysing fund members is instrumental in improving and refining EPF services. There is continued focus on deepening engagement with members by enhancing the quality of interactions and providing more tailored content and services.

Q. Finally, what are the characteristics that organizations are seeking in young professionals or students entering the financial services field, given the rapid changes driven by uncertainty?

There is competition in all fields, and younger professionals entering the industry must possess important characteristics at an early stage of their careers.

To begin with, as a professional in the dynamic, continuously evolving financial services industry, career growth cannot be achieved solely by obtaining degrees or certifications. Continuous learning and the ability to absorb knowledge daily are essential. Professionals should position themselves to effectively apply what they have learned. Furthermore, they need to stay up to date on technological advancements, political developments, and global economic changes, while also building strong professional relationships. The knowledge that is valuable to younger professionals today may become obsolete within a few years; therefore, the ability to "reset" and learn new skills is crucial and will remain valuable in any position they hold, now or in the future.

Finally, one of the most important soft skills in the industry is the ability to demonstrate genuine human understanding. Clients can easily recognize when interactions are purely transactional or driven only by numbers. The most effective services are delivered when professionals truly understand the real needs of their clients. This is an industry that revolves around people, where professionals are entrusted with managing retirement savings. For members, the greatest value arises when their true needs and long-term security are properly understood.

Furthermore, when younger professionals combine technical skills and knowledge with empathy, they not only shape their own careers but also help create a better future for millions of people.

The success of fund management for Sri Lanka's superannuation funds in this 21st century depends on a multitude of factors, many of which are not simply knowledge-based. The factors include a strategic approach, technological advancements, and a willingness to understand the emotional aspect of ensuring financial security for millions of Sri Lankan employees. Such decisions will shape Sri Lanka's superannuation fund management in the 21st century.

Securing tomorrow begins with the decisions made today.

09

Revolutionizing Finance

DEVELOPING ROBOTIC PROCESS AUTOMATION (RPA) FOR BANK RECONCILIATION UNDER DIGITAL TRANSFORMATION IN THE BPO FINANCE SECTOR

By Pasindu Perera
Department of Commerce
University of Sri Jayewardenepura

Digital technology has caused a rapidly evolving change in the Global Finance Industry; the Business Process Outsourcing (BPO) sector is at the vanguard of this movement. The automation of repetitive and rule-based financial processing functions through the use of digital technology and innovative practices such as Robotic Process Automation (RPA) is one of the fastest-growing developments that are driving the changes in the BPO Sector.

One of the financial processes that organizations have been looking to automate is Bank Reconciliation (BR), it is a critical process that is currently both time consuming and error-prone.

As part of the ongoing digital transformation in the financial sector, LAUGFS Holdings plans to expand its operations into the Financial Sector using digital technologies to enhance operational efficiency and stimulate innovation.

INTERVIEW PROFILE

Mr. Dilshan Munasinghe
Group Finance Manager
Laugfs Business Solutions (Pvt) Ltd

LAUGFS HOLDINGS

This article describes an informational interview with Mr. Dilshan Munasinghe, Senior Finance Manager at Laugfs Business Solutions (Pvt) Ltd., a Shared Service Company operating within the Laugfs Group. As an Associate Chartered Accountant (ACA), with 17 years of professional experience, Mr. Munasinghe has played a major role in accounting, financial monitoring, taxation, finalizing accounts and managing bank reconciliations across 26 entities in the Laugfs Group.

The primary purpose of the interview was to provide insight into how RPA was being used to develop bank reconciliation processes as part of the wider context of digital transformation, the challenges encountered in the implementation of RPA, and the overall implications for employees and the finance sector.

Q. Could you introduce yourself and your role at Laugfs Business Solutions?

As an Associate Chartered Accountant, I have spent 17 years immersed in financial management. Presently, I am the Senior Finance Manager at Laugfs Business Solutions (Pvt) Ltd. My role encompasses the preparation and finalisation of financial statements, tax matters, and account oversight, along with reviews for multiple companies within the Laugfs Group. These include Laugfs Gas, Laugfs Supermarket, Laugfs Petroleum, Laugfs Power, and Laugfs Leisure. In addition, I monitor the bank reconciliations for 26 companies and oversee the operations of LBS.

“Digital transformation is redefining the finance industry by replacing repetitive manual processes with intelligent automation solutions.”

Q. Could you describe Laugfs Business Solutions and its importance within the Laugfs Group?

As the centralized shared services arm of Laugfs Holdings, one of Sri Lanka’s most diversified group of company, Laugfs Business Solutions (Pvt) Ltd proves indispensable in the performance of its functions. The company helps all 26 affiliates from various lines of business, including retail, petroleum, power generation, gas distribution, and leisure. The company, in order to reduce work redundancy enhance financial management, consolidates these operations by placing all under one roof,the LBS service hub.

“Serving as the financial backbone of the Laugfs Group, LBS drives efficiency, accuracy, and innovation through centralized financial operations.”

From bank reconciliations to preparation and review of financial statements, LBS’s range of service goes far beyond basic accounting. It also covers income tax matters, monitoring corporate compliance, process automation activities. This completetenets means that every member company in the Laugfs Group can get accurate, timely financial information in a uniform way which is essential for wise decisions made by senior leadership.

At the core of LBS's operations is an experienced and talented senior management team, comprising four professionals with deep accounting knowledge, three of whom are Associate Chartered Accountants (ACA). Pooling together their skills enables the company to exercise strict oversight over accountancy tasks and comply with internationally recognised accounting and auditing standards. This leadership model, moreover, promotes a spirit of continuous improvement and innovation in embracing new trends, including Robotic Process Automation (RPA), as well as classic quality management techniques such as Deming.

LBS's centralised framework confers on Laugfs Holdings a range of strategic advantages. These include reduced costs from economies of scale, improved compliance across subsidiaries, reduced risk of financial discrepancies, and the ability to introduce new technologies and practices with the same stroke of a pen for all business units. Ultimately, the company serves as the financial backbone of the Group, enabling its diverse industries to focus on core operations while relying on LBS for accuracy, reliability, and governance in financial matters

Q. What was the situation before automation in bank reconciliation?

Earlier, five employees handled the entire bank reconciliation process manually. There were three main steps: downloading and running the reconciliation, clearing transactions, and finally sending the bank reconciliation reports to the respective companies. Doing all these steps manually led to several issues: wrong transactions were often reconciled, bulk clearing slowed down the process, efficiency decreased, and the workload at month-end was huge. Each reconciliation took a lot of time and required constant attention from staff. This inefficiency is what motivated management to explore automation solutions.

Q. What advantages did management expect by introducing RPA?

One of the key advantages of using Robotic Process Automation (RPA) in the bank reconciliation process at Laugfs Business Solutions is the rapid execution of reconciliation processes. Prior to Robotic Process Automation, employee hours and days were spent manually carying out reconciliation processes.

However, Robotic Process Automation has greatly reduced the amount of time spent on these types of tasks; they can now be processed in just a few minutes. Additionally, the use of Robotic Process Automationwill allow the finance team to meet tighter deadlines, especially during month-end closing periods. It also provides the opportunity for human employees to transition from performing data entry tasks to providing analytical support and supervision.

Another advantage of using RPA in the bank reconciliation process is the dramatic decrease in errors associated with the process. Prior to RPA, there was always a risk of error when conducting a manual reconciliation process due to human judgment and the potential for overlooking small discrepancies. RPA eliminates this type of variability because it performs all tasks based on predetermined rules and algorithms. Therefore, the accuracy of the reconciliations has increased, which leads to higher confidence in the financial information provided for reporting and strategic decision-making purposes.

"Robotic Process Automation enhances speed, precision, compliance, and productivity while transforming traditional finance functions."

In addition to improving the accuracy of the reconciliations, Robotic Process Automation also provides a number of other advantages, including lower costs. Although the initial cost of developing and implementing a Robotic Process Automation solution is typically high, the long-term cost savings are significant. For example, if a manual process requires five employees to perform, then after implementation of an RPA solution, only two employees would be required to perform the same process. With full automation, even those remaining employees could potentially be reassigned to more valuable roles. The cost savings generated through Robotic Process Automation provide companies with additional financial resources to invest in new technologies, business innovations, and expansion opportunities.

Another advantage of RPA is its ability to enhance a company's compliance and auditing practices. RPA solutions are designed to generate a detailed digital audit trail of each task performed.

Each transaction that is processed or matched by the RPA system is documented and creates a complete and transparent record of activity that can be easily reviewed by internal auditors and external compliance officers. This level of documentation is not possible with many manual processes and greatly decreases the likelihood of regulatory issues.

The final advantage of Robotic Process Automation is its ability to improve the timeliness of information available to management. Because RPA generates accurate and timely financial information, managers are able to make informed decisions regarding financial trends or operational risks in almost real-time. This level of responsiveness provides a significant competitive advantage in today's fast-paced business environment. Therefore, in addition to reducing cycle times and increasing productivity, RPA also transforms financial information into a more effective tool for guiding business strategies.

Q. How is bank reconciliation handled under the current partial automation system?

At present, the number of employees working on reconciliation has been reduced from five to two. RPA has been partially integrated into the process. For example, downloading bank statements is now automated, and the clearing stage is also automated. However, running the reconciliation itself is still done manually. Even with partial automation, the results are promising we have already experienced faster processing, fewer errors, and improved cost efficiency.

Q. What are the future plans for full automation?

The management's goal is to achieve full automation of bank reconciliation. This means eliminating manual intervention entirely. If implemented successfully, Robotic Process Automation will be able to complete daily reconciliation tasks in about 30 minutes, whereas currently it takes nearly 16 work hours per day. The robotic process can also run 24/7, offering continuous operation. For this purpose, we plan to obtain third party services through Potenza to develop the complete system.

"The future vision of LBS is to achieve fully automated, 24/7 reconciliation processes powered by advanced RPA technology."

Q. How does the cost of RPA compare with manual operations?

Currently, two interns handle reconciliation, costing the company approximately Rs. 600,000 per year (Rs. 25,000 each per month per intern). By contrast, the initial investment for RPA is around Rs. 3.8 million, with an annual maintenance cost of Rs. 800,000, although this is not mandatory every year. While the upfront cost is high, the long-term benefits outweigh the expense, specially considering speed, accuracy, and scalability.

Q. What challenges or barriers has the company faced in implementing RPA?

The implementation of Robotic Process Automation (RPA) has not been free of challenges, and these difficulties arise on several fronts. From a technical perspective, one of the major concerns is system downtime or interruptions in communication with banks, which can delay the reconciliation process. Furthermore, Robotic Process Automation tools are limited by their rule-based nature; they cannot make human-like decisions when unexpected exceptions occur, meaning continuous monitoring is still required. On the human side, there has been some resistance from employees who initially feared that automation would replace their roles. However, management has taken proactive steps to reassure staff by reallocating them to more value-adding and judgment-oriented tasks. From a managerial standpoint, the challenges include the high initial investment, the complexity of system configuration, and the lengthy timeline required for full deployment. Since reconciliation is an ongoing and evolving process, developing, testing, and fine-tuning RPA solutions demands continuous effort and commitment.

Q. How do you see the future of automation and digital transformation in the finance/BPO industry?

In the future, most functions of finance companies will be fully automated. Data entry roles will disappear, and instead, companies will require employees to focus on decision making, analysis, and oversight. Artificial Intelligence will complement RPA, enabling more intelligent and predictive finance solutions. For the BPO sector, this transformation will increase efficiency and competitiveness. However, it also requires employees to constantly upskill and adapt to new technologies.

Q. What advice would you give to undergraduates who wish to enter the finance sector?

The corporate sector is shifting rapidly toward digital finance. Universities must adapt their curricula to prepare students for this reality. My advice to undergraduates is to focus on four key areas:

1. **Technical Skills** - Learn finance software, RPA tools, and data analysis.

2. **Certifications** - Professional qualifications like CA, ACCA, or CIMA add great value.

3. **Practical Experience** - Internships provide exposure to real-world challenges.

4. **Soft Skills** - Communication, adaptability, and critical thinking will remain important.

> **"RPA is shaping the future of the BPO finance sector by creating smarter, faster, and more reliable financial operations."**

10

Packaging the Future

DRIVING FINANCE, SUSTAINABILITY, AND INNOVATION AT JF&I PACKAGING

By Udari Lakshani
Department of Commerce
University of Sri Jayewardenepura

INTERVIEW PROFILE

Mr. M.D.S.M. Basnayake
Assistant Accountant
JF & I Packaging (Pvt) Ltd

Q. Packaging is often considered the "silent enabler" of global trade. How would you describe the role of JF&I in Sri Lanka's economy?

Packaging is truly the invisible backbone of trade. At JF&I, our role goes far beyond making cartons or labels. We are essentially the last link in the production chain before a product enters the global marketplace. When Sri Lankan tea is shipped to Europe, or garments are exported to the US, our packaging ensures that the product not only arrives intact but also communicates quality and brand identity.

Take the apparel sector, for instance. Sri Lanka is known for supplying high-end garments to global brands. Those brands are extremely particular about packaging, from the strength of the carton to the precision of barcoding. If packaging fails, it can cause returns, penalties, and reputational damage. By meeting strict international standards, we safeguard Sri Lanka's credibility as an exporter. In this sense, our company doesn't just package products; we help package the nation's reputation.

JF&I PACKAGING SINCE 1978
Technomedics Group

Q. Financially, what are the toughest challenges company faces in the current economic climate?

Our financial challenges are multi-layered. The most immediate issue is raw material price volatility. Paperboard, films, inks, and adhesives are globally traded commodities. Their prices swing with oil prices, supply shortages, or geopolitical tensions. A 5% increase in raw material costs might not sound like much, but when you're producing millions of cartons, it can wipe out margins.

Second, currency depreciation is a constant headache. Sri Lanka imports most packaging raw materials, and when the rupee falls against the dollar, our costs surge overnight. Unlike exporters, we cannot always pass this on to clients immediately, especially those who are locked into contracts. Third, credit cycles from big clients create cash-flow strain.

Multinational buyers often ask for 60-90 days of credit. That means we deliver today but only see the money three months later. In the meantime, we still have to pay suppliers, salaries, and utility bills. Liquidity management has become a daily exercise.

Q. How do you navigate these financial pressures while staying competitive?

We have built strong relationships with our banking partners, which helps us manage working capital effectively. We also use treasury management tools to reduce foreign exchange risk. On the operational side, we focus on reducing waste, improving efficiency, and negotiating better supplier terms. Finance is not just about bookkeeping; it's about enabling sustainable growth.

Q. Sustainability has become a hot topic in global packaging. How is JF&I responding?

Sustainability is no longer an optional "add-on"; it is a licence to operate. Ten years ago, clients only asked about price and quality. Today, they ask about recyclability, carbon footprint, and certifications before even discussing design. At JF&I, we have invested in biodegradable packaging, recyclable boards, and water-based inks. For example, our shift to FSC-certified paperboard has allowed us to access premium export contracts, particularly in Europe, where regulations are strict. We also partner with local recycling initiatives, which not only reduces our waste but also support the circular economy in Sri Lanka. Beyond the environment, sustainability is about business continuity. Clients see us as a responsible partner, and that secures contracts for years to come.

> "Sustainability is no longer an optional add-on; it is a licence to operate."

Q. Can you give an example of how sustainability has opened new opportunities?

Certainly. One of our apparel clients wanted to replace plastic garment bags with biodegradable alternatives. Because we had already invested in research and development, we could provide the solution immediately. Not only did we win that business, but word spread, and we were approached by other exporters seeking similar solutions. In the food sector, we developed compostable wrappers for a quick-service restaurant chain. The solutions was initially more expensive, but the client's brand reputation improved dramatically. They used the shift to "green packaging" in their marketing campaigns, and it resonated with consumers. For us, this meant repeat orders and a stronger partnership.

Q. Technology is reshaping industries worldwide. How is digital transformation impacting packaging?

Digital printing has been a game-changer. it allows us to run smaller batches with more customisation and faster turnaround. Automation in carton folding, die-cutting, and labeling has improved efficiency. We're also exploring smart packaging: adding QR codes that allow customers to verify authenticity or access product information.

Q. How do you balance financial discipline with the need for innovation and technology investment?

That's the art of leadership. We evaluate each investment with a clear return on investment perspective. For example, automation reduces long-term labour costs and improves quality consistency, so it pays back in a few years. Similarly, digital printing allows us to enter niche markets like personalized packaging, which can generate higher margins. Finance ensures innovation is not just exciting, but profitable.

Q. Beyond machines and numbers, what about people? How important is human capital at JF&I?

People are at the heart of our business. Machines can print, fold, and glue, but it takes human intelligence to design, plan, and manage. Our finance teams ensure suppliers are paid, clients are billed, and costs are under control. We also train our employees on sustainability reporting, global compliance, and digital tools.

> "Machines power production, but people drive innovation, planning, and progress."

Q. How does Sri Lanka's packaging industry compare with the global market?

We are highly competitive in quality and creativity, but we must scale up in sustainability and automation. Europe is leading in banning single-use plastics. India has made big strides in replacing plastics with paper-based alternatives. China, on the other hand, is setting efficiency benchmarks with large-scale automated facilities. Sri Lanka can't compete in scale, but we can differentiate through quality, sustainability, and niche innovation.

Q. Looking ahead, what do you see as the biggest opportunities for Sri Lanka's packaging sector?

The first is the growing demand for sustainable exports. International buyers, particularly in the EU and North America, are increasingly strict about environmental compliance. Single-use plastics are being phased out, and companies want suppliers who can provide recyclable, compostable, and biodegradable packaging. For Sri Lanka, this is not just a challenge; it is a tremendous opportunity. At JF&I, we already see apparel and tea exporters insisting on sustainable packaging because their overseas buyers will not accept anything less. By investing early in eco-friendly materials and certifications like FSC, we have been able to secure contracts that might otherwise have gone to competitors in India or Vietnam. This trend is only going to grow, and Sri Lankan firms that position themselves as leaders in green packaging will be able to access higher-value markets, strengthen long term client relationships, and differentiate themselves globally.

The second big opportunity lies in e-commerce packaging. Online retail has exploded in the last decade, and with it comes demand for shipping boxes, courier bags, protective packaging, and branded cartons. E-commerce requires packaging that is not only sturdy enough to withstand long logistics journeys but also attractive enough to enhance the unboxing experience for customers. Sri Lanka's domestic e-commerce market is expanding, but the bigger opportunity is in supporting global online brands. Imagine producing specialized boxes for fashion retailers, electronics companies, or subscription services that ship globally. These clients want cost-effective but high-quality packaging, often in smaller, customised batches which is exactly where digital printing and advanced packaging solutions excel. This segment also offers higher margins compared with traditional bulk packaging, making it financially attractive. Finally, I believe Sri Lanka can aim for regional leadership in sustainable packaging. We may not be able to match China or India in terms of scale, but we can lead in quality, compliance, and innovation. Our proximity to South Asian markets, combined with strong export ties to Europe and the Middle East, gives us a strategic advantage. If the industry continues to invest in automation, digitalisation, and sustainable materials, Sri Lanka can brand itself as a hub for green packaging solutions in South Asia. This vision requires collaboration between companies, policymakers, and financial institutions and the potential is enormous. By positioning ourselves as leaders in eco-friendly and innovative packaging, we can attract foreign clients, boost export earnings, and contribute significantly to the country's economic resilience.

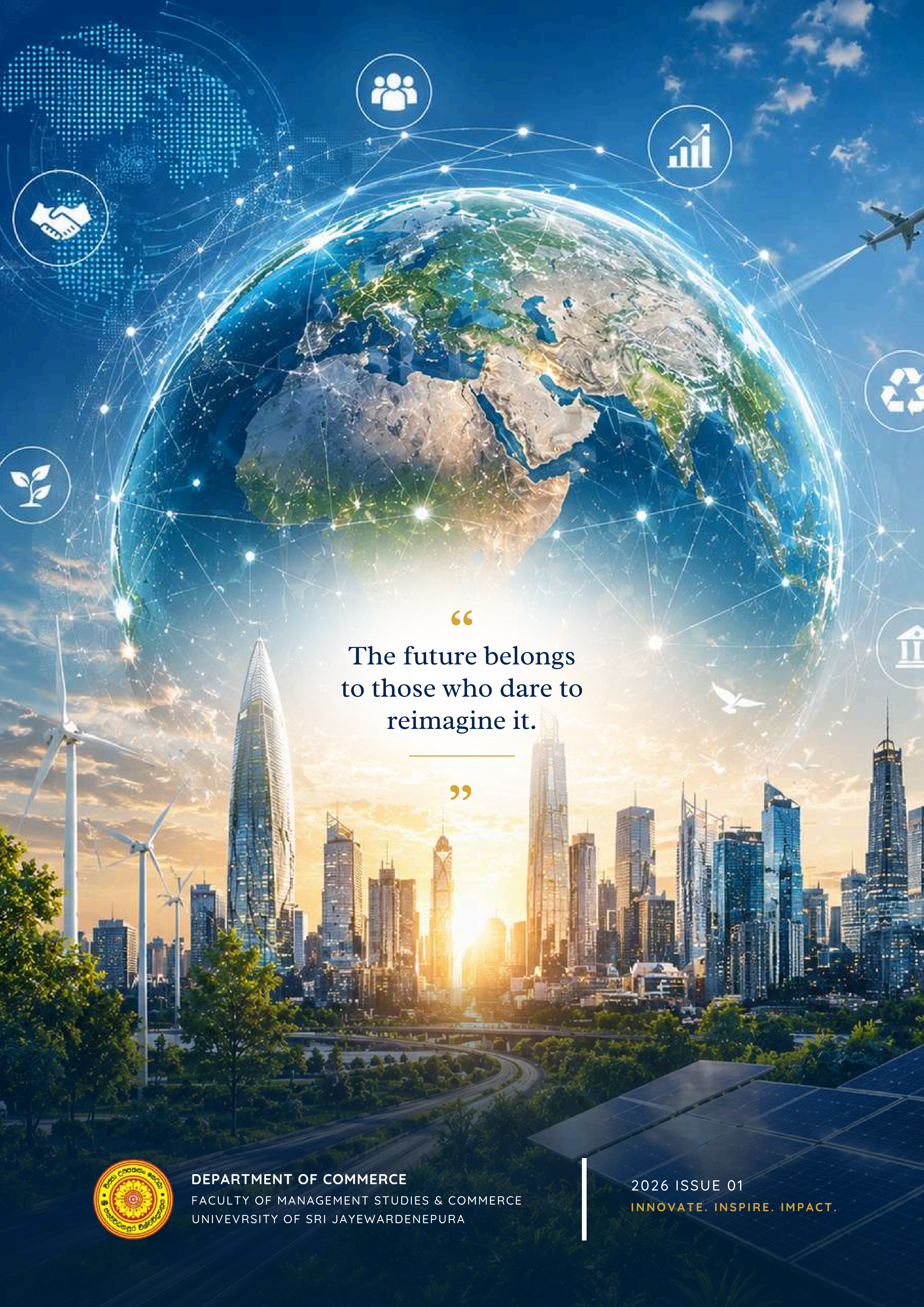
Q. And finally, what is your long-term vision for JF&I Packaging?

Our vision is clear: JF&I Packaging aims to be recognized as the most trusted partner in sustainable, innovative, and financially sound packaging solutions in Sri Lanka. But our aspirations don't stop at national borders. We want to demonstrate that a Sri Lankan company can set regional benchmarks in packaging excellence, combining financial discipline with cutting-edge technology and eco-conscious practices. We don't just sell boxes or printed labels what we really provide is reliability, compliance, and creativity. Reliability, because our clients know we will deliver on time even under the most challenging economic conditions.

Compliance, because we align with global sustainability standards, quality certifications, and international regulations, which allows our clients to confidently export to demanding markets. And creativity, because packaging is also about design and innovation, helping brands tell their story in a way that captures attention on crowded shelves and online platforms. JF&I is not only strengthening our partnerships within Sri Lanka but also expanding into regional and international markets. As South Asia and the Middle East increasingly demand sustainable packaging solutions, we want to position ourselves as a trusted exporter of eco-friendly, high-quality packaging.

With investments in digital printing, smart packaging, and sustainable materials, we believe we can build a portfolio that appeals to both established global brands and emerging e-commerce players. Ultimately, our long-term ambition is to make Sri Lanka a regional leader in green packaging. If we continue to integrate finance, sustainability, and technology in a balanced way, we can prove that even in a developing economy, packaging can be world-class. This vision is not just about JF&I's growth; it is about lifting the entire Sri Lankan packaging sector, creating new jobs, enabling sustainable exports, and positioning our nation as a hub for innovation in the global supply chain.

1. All these interviews have been done between August 2025 to October 2025.
2. All these pictures are taken from the Google.



“The future belongs to those who dare to reimagine it.”

DEPARTMENT OF COMMERCE
FACULTY OF MANAGEMENT STUDIES & COMMERCE
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