



**EFFECTIVENESS OF INTERNATIONAL
TECHNOLOGY TRANSFER THROUGH JOINT
VENTURE AGREEMENTS IN SRI LANKAN
TEXTILE INDUSTRY: CASE STUDY AT
MAS HOLDINGS FABRICS CLUSTER**

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Abstract

This dissertation focused on the effectiveness of joint venture as an international technology transfer mechanism to the textile industry. Today the textile industry has become one of the main foreign income generation sectors in Sri Lanka and plays a vital role in economic development. The textile industries mainly in China and India are giving enormous competition to the emerging countries like Sri Lanka. Therefore, a need has arisen to study the existing textile industry to mitigate the competitive challenges thereby improve technological capabilities for sustainability and growth of the industry.

Literature review reveals models, tools and approaches that can be used to assess the level of technological components transferred, level of technological capability enhancement, behavior of seven factors and company performance by using balanced scorecard on year by year which helps to determine the effectiveness of technology transfer process.

Author of this dissertation has adopted a conceptual model which is a combination of technology components, technology capability enhancement, seven factor model and balanced scorecard approach to assess the effectiveness of international technology transfer through joint venture mechanism in detail.

It was found that joint ventures were effective for efficient transfer of technological components, due to higher level of absorptive capacity, previous experiences of transferee, favorable environment of transferor and transferee, positive progressive performance of the companies. The joint ventures have also significantly contributed for effective and proper development of technology capabilities.

It is strongly recommend to evaluate the existing technologies before entering into JV for more effective TT and to carryout negotiations strategically to facilitate



product technology transfer. It is also recommend to get knowledgeable experts having similar kind of experiences on board during JV negotiations, provide necessary infrastructure facilities and, improving vending capabilities for more effective technology transfer.