

**INVESTIGATION OF RAW MATERIAL PROCUREMENT
MODEL SUITABLE TO SRI LANKAN FASHION
APPAREL INDUSTRY TO MEET THE CUSTOMER
EXPECTATION**

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Master of Logistics & Supply Chain Management

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Signature of the supervisor:

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Dr. R. S. Sugathadasa

ABSTRACT

For the past decade purchasing department role evolved to a crucial role aligning for overall corporate strategy. With the globalization, organizations have adopted to the complexity of global sourcing. There are conceptual approaches under development towards procuring where the supplier relationships increase from short term to long term.

This thesis investigates an approach that falls in the middle - Namely strategic procurement. The purpose of this thesis was to develop a tool for readymade garment manufacturing companies in Sri Lanka to evaluate characteristics of their raw material procurements. Later this guide towards choosing the right procurement approach, by doing a case study for an existing garment manufacturing process and conducting 30 semi-structured interviews, the thesis contributes in two major ways. First, the theoretical definition of strategic procuring was compared to real-life practice, improving the concept's empirical accuracy.

Second, a theoretical approach (Karljic Matrix) was adopted to develop a framework identifying potential for strategic procuring.

Key words: strategic procuring, purchasing characteristics, buyer supplier relationship, Karljic matrix).

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LIST OF ACRONYMS

RMG – Ready Made Garments

ILO – International Labour Organization

EPZ – Export Processing Zone

SCM – Supply Chain Management

PO – Purchase Order

CM – Category Management

PSM – Procurement Supply Chain Management

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