Demographics/Characteristics of the Population (including cultural insights)

As stated earlier Sri Lanka is a country located off the south east tip of India and has a land mass of about 65,000 square kilometers, this is roughly the size of West Virginia (CIA, 2013). Sinhalese is an Ethnic group that mostly makes up the demographic of Sri Lanka along with being recognized as the official language. There are only a few areas within the country that do not speak this language and that is located up north closer to the tip of India. A few of the other ethnic groups that make up a smaller portion of the country are Sri Lankan Moors 7.2%, Indian Tamil 4.6%, Sri Lankan Tamil 3.9%. (CIA, 2013) The majority language spoken in Sri Lanka is that of the Sinhalese people called Sinhala which is actually short for Sinhalese. Interesting fact is that English is spoken clearly in about 10% of the population and is mainly used in government business. According to the World Fact Book it is considered the link language in the constitution. (CIA, 2013) Looking at opportunities with in the country this is huge. Their government works very similar to ours in a diplomatic way. This paired with cultural beliefs could make the cultural shift for an American business much less intensive. This idea of diplomacy in Sri Lanka stems from the combination Buddhism, and Hinduism which believes heavily in political, cultural, and social life. (Kwintisential, 2013) There are some distinct cultural nuances that encompass the country, such as the older generation using namste (clasping of ones palms at chin level with a small head bow) to the younger generation giving a simple firm handshake. Gift giving is very similar to that of ours, normally only given at birthdays and religious holidays. Finally within the culture family gatherings/ dinner parties are important, Sri Lankans love getting together. During a dinner party most of the socializing happens before

dinner therefore after dinner guests usually leave within a half hour. Sri Lanka in itself is a growing country with an American style thinking.

Transportation and Infrastructure

 Transportation in Sri Lanka is no more out of the ordinary than that of other major countries. Although it does have one of the best road ways in South Asia, but is this beneficial to Sri Lankans? By surprise it actually is not, according to media reports written in the LMD business magazine 78 percent of the people traveling are using bus or trains. (LMD, 2014) Independent travel is nowhere as close to public which poses the question who are the roads for? The number of vehicles on the roadways have tripled since the 80’s but according to the data presented earlier public transportation still exceeds that by many times. The government should put a larger emphasis on expanding the train network which would create a more convenient way of travel along with consuming less fuel. This is especially a topic of interest because in Sri Lanka all oil is imported and the cost can rise at any time, trains can run on electricity and other reusable energy. Sri Lanka realized its struggles with the importance of renewable energy and has built a large hydro powered infrastructure. Hydro power provides 44.6% of the total electricity produced with in the country which ranks it high in comparison to other countries around the world. (CIA, 2013) The success of this industry is due in part to Sri Lanka’s geography, specifically the highlands where the hilly terrain combined with humidity creates a good environment for hydroelectricity manufacturing.

Industry Structures

 Sri Lanka has had an economic boom since the early 2000’s and has effected some of the industries within the country. Direct Life Insurance Carriers is the primary industry represented in the country along with a strong presence of banking and investments. A major company that operates in the insurance industry is Ceylinco Insurance PLC. Ceylinco provides underwriting for all major classes of life insurance along with the management of pension funds. Just like the Sri Lankan economy Ceylinco’s revenues (sales) have grown to about 35 billion dollars, much higher than it was in previous years at about 28 billion. (Business Insights Global, 2014) Agriculture is a big industry in Sri Lanka with most of the labor force working in the fields. This is big in part due to the high exportation of their goods. In comparison Sri Lanka still struggles with a higher import rate over the export rate. According to the World Fact Book in 2013 Sri Lanka imported about 18 billion dollar worth of goods and services while they only exported 10.8 billion dollars. (Business Insights Global, 2014) Lastly the rubber production industry is very strong in the country and is now a part of the private sector, no longer controlled by the government and political bonds.

Strategic Options

 Sri Lanka due to its climate conditions and warm sea water that both in popular tourist destinations stay at an average of 80.6 degrees Fahrenheit is becoming a popular tourist destination. According to LMD the tourist authorities are looking to lure in a higher clientele. Because of the luscious beaches and nice climate tourism in Sri Lanka is on the up but there is not many accommodations for the wealthy. This is a great opportunity for a Sandals resorts or a new hospitality firm that want in on a booming market. A part of the growing economy and industries like insurance and investment banking stems a need for Information Technology. This industry could serve as a way to better manage data and data security.

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