

*Asia Pacific Federation of Human Resource Management  
(APFHRM)*  
*Country Report-2011*

# SRI LANKA



# **Institute of Personnel Management Sri Lanka**

## **Country Report – Sri Lanka**

### **Back Ground**

Sri Lanka is a republic and a unitary state which is governed by a presidential system with the seat of government in Sri Jayawardenapura-Kotte, the capital. The constitution of Sri Lanka establishes a democratic, socialist republic in Sri Lanka, which is also a unitary state. The government is a mixture of the presidential system and the parliamentary system. The president of Sri Lanka is the head of State, the commander in chief of the armed forces, as well as head of government, and is popularly elected for a six-year term.

As a result of its location in the path of major sea routes, Sri Lanka is a strategic naval link between West Asia and South Asia. It has also been a center of the Buddhist religion and culture from ancient times and is one of the few remaining abodes of Buddhism in South Asia.

The country is famous for the production and export of tea, Coffee, Coconuts, Rubber and Cinnamon the last of which is native of the country. The natural beauty Sri Lanka has led to the title ***The pearl of the Indian Ocean***. The island is laden with lush tropical forests, Silver beaches and diverse landscapes with rich biodiversity. The country lays claim to a long and colourful history of over three thousand years, having one of the longest documented histories in the world. Sri Lanka's rich culture can be attributed to the many different communities on the island. Sri Lanka is a founding member state of SAARC and a member United Nations, Commonwealth of Nations, G77 and Non-Aligned Movement.

### **RESURGENT IN SRI LANKA**

With the eradication of terrorism in Sri Lanka in May 2009, Peace has dawned in the Country thus stimulating the economic growth.

The restoration of Peace resulted in salutary conditions, firstly the Peace brought about social and economic stability in the Northern and Eastern Provinces which is 1/6<sup>th</sup> of the land area of the Country and also the rest of the Country.

Secondly it provided much needed impetus in reviving the economy. Especially in the war ravaged Northern and Eastern Provinces. This attracted the foreign investment and also encouraged the local investors to embark on new business ventures. More importantly, the establishment of Peace saved an enormous expenditure on military expenses.

The newly emerged scenario has encouraged investment as well as economic activities in development of tourism, manufacturing and service providing ventures along with the infrastructure development. With the commencement of this processes in the beginning of 2010 gradually gathered momentum in economic resurgence which ultimately would enhance the GDP and reduce the budgetary gap. If this situation is managed with proper planning and economic prudence, it is expected that Sri Lanka will emerge as a politically and socially stable Country with a vibrant economy.

## Country Profile

Item	
Population	20.45 Million
Land Areas	62705 Sq km
Literacy Rate	91.3 %
GDP per Capita	2824 US\$
GDP Growth	9.1% (2010)
Inflation	7.5 %
Labour Force	7.5 Million
Unemployment Rate	5.4 %

## Sri Lanka Key Economic Indicators

Item	2006	2007	2008	2009	2010
Annual Population Growth %	1.1	1.1	1.0	0.9	0.86
Labour Force % (over 14 years of age)	51.2	49.8	49.5	48.7	49.2
Unemployment %	6.5	6.0	5.4	5.8	5.4
GDP Growth Rate %	7.7	6.8	6.0	3.5	9.1

## Composition of population

By Ethnicity	%	By Religion	%
Sinhalese	73.9	Buddhist	69.3
Sri Lankan Tamils	12.7	Hindu	15.5
Indian Tamils	5.5	Islam	7.6
Moors	7.1	Roman Catholic	7.6
Others	0.8	Other	0.1

## Employed Population

By Sexes	2005	2006	2007	2008	2009	2010
Male	4609198	4771572	4731075	4598416	4765107	5136913
Female	2530339	2515626	2414503	2585188	2327175	2441261
<b>Total</b>	<b>7139537</b>	<b>7287198</b>	<b>7145578</b>	<b>7183604</b>	<b>7092282</b>	<b>7578174</b>

## Labour Market Developments

- In the public as well as in the private sector there has been an increase of wage levels (annual Increments) from 5% - 15% in 2009/10.
- Unemployment rate has decreased to 5.4 % recorded in 2010 as compared to 5.8% recorded in 2009.
- There has been a steady increase in foreign employment over the years contributing significantly to foreign exchange earnings and reducing pressure on unemployment. Sri Lankan migrant population is around 0.8 Million. Average numbers of migrant travelers for employment per day is around 600.

- Labour relations have been comparatively peaceful except few strikes in the Public Sector over wage disputes.
- Still there exists a mismatch between the supply and demand for skilled manpower. Appropriate reforms in school and University Curriculum along with initiatives in Skills Development at national level have been initiated.
- Due to restoration of Peace now the economy is booming thereby new investments are establishing. Specially the hospitality and transportation and other service industries

#### **CRITICAL HR CHALLENGES IN SRI LANKA**

- With the increasing of cost, improving employee productivity has become a critical option for organizational survival.
- Retaining and managing of talents.
- With the end of the war, socio-economic activities of northern and eastern provinces would commence where managing the people factor will be an important aspect for success of the activities
- Find the suitable talents
- Aggressive bargaining power of suitable candidates

#### **IPM Sri Lanka**

Institute of Personnel Management was founded in 1959 and was incorporated by an act of parliament in 1976. The primary objective of the Institute is to promote and develop the principles, techniques and practices of Human Resource Management and to ensure a high level of professional standards and competence amongst membership and those who are aspiring to become members of the Institute.

In pursuance of these objectives in the past 50 years, the Institute has been actively involved in conducting a wide range of professional activities to upgrade the standards of the HR Profession in Sri Lanka. Among these activities, two important processes are the conducting of professional study programmes for those interested in pursuing a career in Human Resource Management and the Continuous Professional Development for the HR Practitioners. With its beginning in 1959, the Institute has developed into the leading Human Resource Authority in Sri Lanka. During this period, the Institute has contributed significantly to develop and nurture the Human Resource Management profession.

Whilst catering to the needs of the membership especially in regard to the upgrading of their knowledge and skills, the Institute had conducted a wide range of professional courses which include the prestigious **IPM Professional Qualification in Human Resource Management** and thereby train quality HR professionals required by the country. Although the years have brought many changes in the profession, the Institute is firmly committed to Management and Development as relevant today.

IPM is a member of the **Organization of Professional Associations in Sri Lanka** and also a member of the Asia Pacific Federation of Human Resource Management through which the

Institute is affiliated to the World Federation of Personnel Management Associations. (WFPMA).

IPM SL as the Leader in HR in Sri Lanka continues to play a vibrant role amongst Professional Associations in Sri Lanka. It is the only HR professional body statutorily incorporated by an Act of Parliament.

### **Our Objectives:**

- ❖ To promote and develop the principles, techniques and practices of Human Resource Management in order to ensure optimum utilization of Human Resource at organizational as well as international level
- ❖ To ensure a high level of professional standards and competence among membership and those aspiring to become members.
- ❖ To promote the Study of Human Resource management and to encourage research into the best means and methods of applying the Principles and techniques of Human Resource Management
- ❖ To promote the image of the Institute and its membership and to provide leadership to the Human Resource Management profession in Sri Lanka
- ❖ To influence National Policy formulation in areas related to the Human Resource Management profession.
- ❖ To facilitate networking among HR professionals, to share and develop knowledge and exchange views at national as well as international level.
- ❖ To maintain our status as the leading HR Authority in Sri Lanka by upholding high standards of competence, ethics, values and professionalism amongst the membership.

### **IPM Business School**

#### **Education and Training**

Education and Training form a major activity of the Institute. IPM caters to the individuals need to upgrade their skills and enhance their knowledge. Our Preliminary, Foundation, Certificate, National Diploma Courses and IPM Professional Qualification in Human Resources Management are designed to accommodate students with different educational qualifications and career aspirations. Our student base is around 3000 at any given time.

The Preliminary and Foundation Study programmes are mainly focused on school leavers and the beginners where the Certificate Programme caters to the needs of the supervisory staff. Our star product is the **IPM Professional Qualification in Human Resource Management** comprising 3 stages covering 20 modules and the preparation of a dissertation to fulfil study requirements. This is the highest professional qualification in Human

Resource Management available in Sri Lanka and recognized by Local and foreign Universities as an eligibility requirement to pursue post-graduate studies.

- ❖ IPM Preliminary Course in Human Resource Management (PCHRM) - 8 weeks. For those who sat the G.C.E. Advanced Level examination. School Leavers and others anticipating to select a career in the field of management.
- ❖ IPM Foundation Course in Human Resource Management (FCHRM) - 2 Months. To provide the participants with a basic conceptual knowledge and practical understanding of Human Resource Management and thereby encourage the pursuit of further study and a career in Human Resource management.
- ❖ IPM Certificate Course in Human Resource Management (CCHRM) - 3 months-To provide a wider spectrum of knowledge in Human Resource Management and to enhance the skills of participants in managing Human Resources.
- ❖ IPM Certificate Course in Training and Development (CCTD)-3 months-The objective of this programme is to develop competencies of participants to enable them to develop, implement and evaluate training programmes in keeping with the business strategy of organizations.
- ❖ IPM National Diploma in Training and Development (NDTD) - 1 year-The objective of this diploma is to develop competencies of participants to enable them to identify analyze training and development needs of an organization.
- ❖ IPM Professional Qualification in Human Resource Management (PQHRM) -2 years. This study programme consists of three stages which provide an in-depth understanding of Key Result Areas in Human Resource management. It focuses on critical aspects of the discipline of Human Resource Management and provides guidance to students and practitioners to enhance their knowledge, competence, skills and apply it in the corporate world.
- ❖ In addition, Business School conducts short courses of 5-3 day's duration, workshops/seminars to provide continuous professional Development to HR practitioners and those involved in managing people.

## **Activities of the Institute of Personnel Management Sri Lanka**

### **India – Sri Lanka HR Professional Exchange Programme**

The six member delegation of IPM Sri Lanka visited India during the month of February 2011. This is the fourth occasion that the HR professional exchange programme activated between two countries. The main objective of the programme is to share knowledge and best practices and build relationships with NIPM India and IPM Sri Lanka. The NIPM delegations visited Sri Lanka Twice.

### **Membership and Membership Services**

IPMSL provides various services to our membership and those involved in managing people by conducting seminars, workshops, CPD programmes, Career guidance programmes and

public lectures to upgrade the knowledge and competence. Our Headquarters has provided fully furnished Members Launch with all modern facilities for members to spend their leisure time with fellow professionals.

Our total membership has reached well over 3000 with the student membership. We have five categories of membership grades and Fellow, Member, Associate grades of members are come under corporate category and Affiliates and student members are come under non-corporate category.

Corporate members of the institute in the various grades shall be entitled to the exclusive use after their names the following abbreviated designations appropriate to their respective grades as follows;

Fellow (FIPM), Member (MIPM), Associated Member (AMIPM)

### **Award Ceremony**

Award ceremony is an annual event to the IPM Business School. This is the convocation of IPM graduates who have successfully completed their respective programmes in IPMSL. In the year 2010, the award ceremony was held with the presence of large gathering of professionals and academics.

### **National HR Conference- 2011**

The National HR Conference 2011, a congress especially designed for HR professional and people Managers and the flagship event of IPM was held on 28<sup>th</sup> and 29<sup>th</sup> June 2010 in Colombo along with HR Service Providers' exhibition. The Conference theme was "HR Powered Edge in a Booming Economy" and internationally renowned speakers presented their valuable inputs at the conference. Professor Thomas Lange, Dean Curtin University-Australia, Professor Janek Ranathunge, Dean and Head of Commerce, University of South Australia and Mr. Martin Roll, Author of "Best Global Business Book" were among the presenters at the Conference. There were few other local speakers also made presentations at the conference. The participation was around 600 including international delegates from various countries.

### **National HR Conference - 2012**

The National HR Conference- 2012 is scheduled to be held on 20<sup>th</sup> and 21<sup>st</sup> June 2012 in Colombo. Several internationally renowned HR experts are expected to make presentations. IPM expects many participants from Asia Pacific Region.

### **International Affairs**

IPM continues to be active in international affairs having being a Vice President of the Asia Pacific Federation of Human Resource Management and an affiliate of the World Federation of Personnel Management Associations. It has already signed two MOUs with Australian Human Resource Institute and PMSM Indonesia.

## **People Power – A Newsletter**

IPM continues to issue the quarterly Issue of “People Power” newsletter and biannual magazine of “HR Perspective”.

### **Conclusion**

IPM has diversified into many activities such as Consultancy & Research which are the forte of any professional body. IPM has a well equipped high tech Library (a knowledge centre) with well over 5000 books and a strong Secretariat to manage the affairs effectively. It functions on a Standing Committee system; having Committees for each important activity i.e. Business School, Finance & Administration, Strategic Planning, Membership Development, Research & Consultancy, International Affairs, Young Members Forum, Marketing & Media, National HR issues, National HR Conference to provide strategic directions and policy advice.

In accordance with the objectives of the IPM Sri Lanka the institute continues to serve the HR profession and has brought it to the forefront amongst other professional institutes in Sri Lanka. It has immerged as a vibrant professional institute contributing to the development of HR profession and the progress of our nation.

**Lalith . A. P. Wijetunge**

**Past President, Chairman International Affairs Committee**



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