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**A STUDY ON THE IMPACT OF DIGITALIZATION ON
ORGANIZATIONAL PERFORMANCE OF
SUPERMARKET CHAINS OPERATING IN SRI LANKA**

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Degree of Master of Business Administration in Information Technology

Department of Computer Science and Engineering

University of Moratuwa

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The dissertation was submitted to the Department of Computer Science and Engineering of the University of Moratuwa in partial fulfilment of the requirement for the Degree of Master of Business Administration in Information Technology.

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DECLARATION

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LIST OF ABBREVIATIONS

Abbreviation	Description
CP	Customer Perspective
CS _D	Customer Experience Dimension of Digitalization
DG _i	Digitalization Index / Level of Digitalization
FP	Financial Perspective
FSIZE _{it}	Firm Size
IBP	Internal Business Process Perspective
LGP	Learning & Growth Perspective
OP _i	Organizational Performance index
OPS _D	Operational Dimension of Digitalization
PP _D	People Dimension of Digitalization
PS _D	Products/Services Dimension of Digitalization
ST _D	Strategy Dimension of Digitalization
TECH _D	Technology / Technological Infrastructure

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Abstract

The purpose of this study is to analyze whether there is a relationship between digitalization and organizational performance of supermarket chains operating in Sri Lanka. The scope of this study includes all supermarket chains during the period of 2023 and 2024. The main objective of this research is to empirically investigate the relationship between the level of digitalization and organizational performance measured in terms of the dimensions of the balanced scorecard model which include financial and non-financial performance indicators. Additionally, this study aims to assess the degree of digitalization of supermarket chains operating in Sri Lanka. Descriptive statistics have been used to assess the degree of digitalization, organizational performance; correlation and regression analyses were performed to examine the direct relationship between the level of digitalization and organizational performance. Based on the results of the study, a significant relationship could be seen between the level of digitalization and overall organizational performance of supermarket chains in Sri Lanka. However, out of the four balanced scorecard performance perspectives, only the internal business process and financial perspectives showed a significant relationship. An insignificant association was examined between the level of digitalization and the customer and learning & development perspectives of the balanced scorecard. In addition, the extent or the level of digitalization was established based on an international assessment model which was refined to fit into the Sri Lankan context based on the dimensions that have been identified as contributing factors in promoting digitalization across business sectors in Sri Lanka. This study will contribute to the extant literature by investigating the relationship between the above variables as empirical studies were scarce about the association between digitalization and organizational performance measured in various dimensions. Further, the refinement of the assessment model to measure the level of digitalization can also be identified as a contribution since similar models were scarce in the local context.

Key Words: Digitalization, Information Technology, Operating Performance, Balanced Scorecard, Supermarkets, Performance Dimensions