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**IMPACT OF EMPLOYING CIVILIAN WORKERS ON
ORGANIZATIONAL PERFORMANCE IN
NAVAL DOCKYARDS OF
SRI LANKA NAVY**

**MASTER OF BUSINESS ADMINISTRATION
IN
MANAGEMENT OF TECHNOLOGY**

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April 2024

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MASTER OF BUSINESS ADMINISTRATION IN MANAGEMENT OF TECHNOLOGY

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April 2024

DECLARATION

I hereby declare that this dissertation is my original work and does not include, without proper acknowledgment, any material previously submitted to any other university or institution of higher learning. To the best of my knowledge, it does not contain any material previously published or written by another person, except where acknowledgments are made in the text.

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I hereby recommend that the dissertation be prepared under my supervision by G.A.P. Chandradasa (208269X) and this report is acceptable for evaluation.

Signature of the supervisor

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Date: 28.05.2024

ABSTRACT

Sri Lanka, being situated in a strategic location in the Indian Ocean, means that the Navy has a crucial role to play. Naval dockyards are one of the major elements affecting the efficiency of naval operations. The objective of this investigation is to analyze the effects of incorporating civilian personnel on the operational efficiency of naval dockyards within the Sri Lanka Navy, which is predominantly operated by uniformed technical sailors. The literature review focused on the current state of civilian employment in naval dockyards, referencing several theories such as Human Capital Theory, Resource-Based View (RBV), Expectancy Theory of Motivation, Job Characteristics Model (JCM), and Frederick Herzberg's Two-Factor Theory. Despite the wealth of information offered by the current literature, deficiencies were noted, including a lack of empirical evidence and insufficient attention to the specific operational context of SLN dockyards. This cross-sectional study employed a positivist research philosophy, a deductive methodology, and a single-method approach. To gain insights, we surveyed 274 dockyard workers using a convenience sample and compiled their responses. Descriptive statistics, correlation analysis, and regression analysis were applied to the data. Organizational performance was the dependent variable, while financial efficiency, skill specialization, and civil-military integration were identified as independent variables. The survey results were deemed reliable, with a response rate of 95.5% and a positive correlation between the independent and dependent variables. With an Adjusted R-Square of 44.7%, the regression model fit the data well, suggesting it could explain almost 45% of the variation in organizational performance. Financial efficiency was found to be positively related to organizational success ($\beta = 0.974$, $p < 0.001$), and skill specialization had a major impact on organizational success ($\beta = 0.706$, $p < 0.01$). Additionally, there was a positive correlation between civil-military integration and organizational performance ($\beta = 0.645$, $p < 0.05$). The central finding of the study is that financial efficiency, skill specialization, and civil-military integration significantly influence organizational effectiveness. The results of this research have important managerial implications, particularly for those responsible for the Sri Lanka Navy's naval dockyards' strategic planning, operations, and human resources management.

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