Assessment of enterprise information systems adoption in small & medium enterprises in Sri Lanka: A systematic review of literature


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In Sri Lanka, Small and Medium Enterprises (SME) play a vital role in the economy in terms of national output and employment. In today’s highly competitive economy, small and medium-sized enterprises lack the resources and technologies to compete with large enterprises with a relatively high death rate. In order to survive in the competitive market and exploit opportunities, many small and medium-sized enterprises adopt information technology (IT) related applications. However, in the current context of IT application usage, such as Enterprise Information Systems (EIS), the SME sector in Sri Lanka is far behind compared to other countries. Therefore, the need to adopt to EIS/other Information Systems related technologies is becoming a must or an urgent need in the context of establishing a competitive SME sector. As a result, some IT organizations have integrated with the SME sector in different business solutions according to their information requirements while meeting up with their capabilities. However, these integrations would ultimately face failures rather than success. The objective of this study is to recognize the real need for EIS based applications in the SME sector while accessing the adoption level and identify the driving forces and barriers which influence the focus of SMEs adoption of EIS related technologies. This study is based on a comprehensive, systematic review of literature published in relation to assessing adoption of IT related applications’ in the SME sector. Consequently, to conceptualize the factors under technological, organizational and environmental contexts, reviewed articles are roughly classified into these 3 categories according to different keywords. Under such classification framework, top management support, IT experience, relative advantage, complexity, industry, market scope, regulatory policies, external IT support, and competitive pressure etc. are emphasized as the main factors. Further originated that, innovativeness, IT-driven attitude and entrepreneurial competencies also drive adoption of EIS related technologies. Through the effective analysis of the above evidence of factors, the paper explains the specific causes of the low adoption rate of EIS, which will be extremely important for the SME management and policymakers. Hence, the future work needs to be carried out to answer the problems on what level of adoption of EIS is required by SMEs and why EIS adoption is difficult for the SME sector in Sri Lanka.

Keywords: Enterprise information systems (EIS) adoption, small and medium enterprises, TOE framework.