

Human Resource Challenges to develop eBusiness in Sri Lanka, a Case Study

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Abstract

This paper presents the Human Resource Challenges in Information and Communication Technology (ICT) Industry in Sri Lanka and the potential for an E-Business in Sri Lanka. This paper has addressed secondary data which have been surveyed by Sri Lankan ICTA agency. There is a growing demand in ICT work force. Compared to last 2 years; it was grown by nearly 10,000 over the two years from 2004 to 2006. Nearly 14,500 IT workers are required in the next two years (2007-2008). However, only 2216 Major graduates will be added to the workforce every year, according to the ICTA survey. This number is insufficient to the Industry development. The Internet usage in Sri Lanka is insignificant due to the lack of various reasons. Nearly 1.35% of total population use internet. The majority of Sri Lankan lives in rural areas. It is primarily a rural based country where a larger percentage of its citizens cannot avail themselves of these modern capabilities. Some of the key advantages of ICT development in Sri Lanka include its favourable macro-economic policies and a business culture open to global partners and investors. Education has been a priority in Sri Lanka since ancient times resulting in one of the highest literacy rates in the region and labour rates too are

comparatively very competitive. The country possesses a talented pool of manpower and Sri Lankan software companies have proved themselves many a time that they are capable of competing in both software services and product development. However there is lack of Human resource strategies for retaining skilled ICT graduates in local companies even though shortage of workforce. The main problems in developing E-Businesses are lack of Internet usage in total population, lack of companies' knowledge in Internet Business, lack of Investment for future E-Business areas and lack of government support to enhance E-Business in rural areas. This paper concludes that there is strong potentiality to go for the successful E-Business with strong involvement of companies by overcoming common problems faced by any developing country at this stage of online business.

1. Introduction

Most content on Sri Lankan websites is provided entirely in English -- this is so even with most government websites, even though the Official Languages Policy stipulates that the government must communicate in all the three official languages of English, Sinhala and Tamil. A main problem faced by content developers is the lack of standard Sinhala and Tamil fonts. Although there are many

Sinhala and Tamil fonts available, none of them are ubiquitous. Users who access many Sinhala or Tamil websites must install several different fonts in order to view all the sites. It is estimated that less than 10 percent of computers in Sri Lanka use Sinhala or Tamil, and almost all of these are used for word processing and publishing. There is negligible use of databases and other functions in local-languages (APDIP, 2003). Although attempts are being made to establish standard local-language font sets and keyboards, they have yet to bear fruit. Until that happens, it is unlikely that local-language content will increase.

During 2003, several online editions of popular Sri Lankan newspapers introduced paid subscription services, thus ending free access. At the same time, the number of online sources offering Sri Lankan news and commentary (all entirely in English) has increased.

The successive governments of Sri Lanka have taken many progressive initiatives to develop Information and Communication Technology (ICT) sector in Sri Lanka. For all citizens, ICT has been found to be beneficial as ICT can provide solutions to the various needs of the citizens. For citizens to get the maximum benefits from these projects they need to be computer literate.

Certain groups are far less likely than others to have computers or online access. Lack of such access affects the ability of children to improve their learning with educational software, adults to acquire valuable technology skills, and families to benefit from them. This phenomenon is called digital divide. There is growing concern about the implications of 'digital divide', whereby some social groups lack the means to access new Information and Communication Technologies, while others

reap labour market rewards for being on the cutting edge of these technologies.

To plan and implement strategies to minimize this gap, a comprehensive examination of computer use in work places, homes and community settings is required. The extent to which students have access to computers at school and at home may be an indicator of how well prepared students will be to enter into technological workplaces which demands computer literacy.

2. Analysis

The Department of Census and Statistics conducted a pilot study to assess the computer literacy of household population in the group of 5 – 69 years of Sri Lanka as well as to find out to what extent they use computers for various activities including use of e-mail and internet facilities. Availability of home computers, e-mail and internet facilities etc in the households were also assessed by this study. This study was conducted as a household survey by Census department. (Sri Lanka; 2003)

Sri Lanka is still not a fully-fledged computer user. Therefore, it is not possible to adopt definitions on computer literacy used by developed countries. In defining computer literacy for this survey, some sort of level of comfort around computers rather than a look of fear and a feeling of foreboding was used. For this survey a person was considered as computer literate if he/she could do something on his/her own using a computer. For example, if a child of 5 years old could play a game using a computer on his/her own, he/she was considered as computer literate. Estimation of computer literacy of the household population in the age group of 5 to 69 years of Sri Lanka was the main objective of this study. At national level, 10 percent of the above population is computer literate. Western Province reported the highest

computer literacy rate of 15.3 percent and the lowest percentage of 5 percent was reported from North Central provinces.

The highest computer literacy rate of 20 percent was reported from the Colombo district. In order to quantify the awareness about computers, it was asked from the household members whether they were knowledgeable about at least one use/application of computers. Computers are used for wide range of activities starting from playing games to applications in aeronautics. Members, who were aware about at least one of those uses, were considered as knowledgeable/aware about computers.

Nationally 18 percent of the population in the age group of 5 to 69 years is aware about computers. Highest percentage (25%) of awareness about computers was reported from the Western Province. The highest computer awareness of 32% was reported from the Colombo district. This is similar to the other developing countries. On the average, four out of one hundred households possess a computer. Availability of computers in households is highest in the Western province (8 percent) and this is followed by the Central and North Western provinces (3 percent).

Reflecting the digital division, significant unequal availability of computers in households is seen by sector. While 10 percent of urban households possess a computer, only 3 percent of rural households do so. It is even lower, just 0.3 percent in estate households.

Printers and CD drives are essential basic accessories of personal computers. Educational materials in many fields of studies are now available in Compact Disks. Out of 100 households with computers there are printers in 42 households. There is no

wide variation of households having computers with printers across sectors: urban and rural. CD drives, however are available in more urban households (67 percent) than in the rural households (59 per cent).

On the average, e-mail facility is available only in 9 out of 1000 households. The availability varies from one household per 1000 in the North Central and North provinces to 23 households per 1000 in the Western Province. On the average, nearly one fourth of the households having computers have e-mail facility. This percentage is highest (28.5 percent) for the Western province and lowest (9.6 percent) for the North Central Province.

Percentage of households with Internet facility is 0.7%. That is on the average, this facility is available only in 7 households per 1000 households. The highest percentage of 1.8 was reported from the Western Province.

Almost one fifth of the households having computers have internet facility. There is a clear difference in this percentage between urban (25%) and rural (16%) sectors. Due to the limitations in statistical reliability, statistics for estate sector were not compiled.

At national level, over 40 percent of the home computers have been acquired within 24 months prior to the survey. This proportion is higher in rural areas (47 percent) than in urban areas (39 percent).

Nationally, 53 percent of households use their home computers for only 10 hours or less per week. Only about one fifth of the households use their home computers for 20 hours or more per week. In urban sector, about one fourth of housing units use their home computers over 25 hours per week and this percentage for the rural sector is 19 percent.

Only 3.8 percent of the households have home computers. From the selected households without computers, it was asked how they meet their needs requiring use of a computer. Very strikingly, 78 percent of the households said they did not need these facilities. According to the responses of the households 14 percent of them meet these needs through private institutions such as communication centers, cyber cafes etc. Reported percentages corresponding to friends/relatives and office/work places are 3 percent and 4 percent respectively.

3. Conclusion

The majority (64%) reported that they did not feel the need for a home computer soon, possibly due to the lack of knowledge (computer illiteracy) and resources. On the average, little over one third (36%) of the households indicated that they strongly feel the need. Therefore, the findings of this study can be used as baseline data for measuring e-readiness and by repeating this study at regular intervals preferably annually, impact of various interventions that had been implemented to take the country to the digital age can be evaluated and if necessary, corrective actions can be taken. It is hoped that the information compiled using data collected in this survey can bring about improvements in how these facilities should be introduced and used. This paper concludes that there is strong potentiality to go for the successful E-Business with strong involvement of companies by introducing ICT for the house holds under less cost schemes and develop local language Business as a promotion.

References

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