

Factors Influencing Cloud Computing Adoption by SMEs in Sri Lanka

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Abstract

Cloud computing is the on-demand availability of computing resources, such as storage and infrastructure, delivered as services over the internet. Due to the usage of Cloud computing, organizations have been able to share IT infrastructure facilities, platform services, and software via the Internet with minimum start-up cost. Small and medium-sized businesses in particular have benefited through Cloud computing as it enables the efficient use of technology, cost savings, increased flexibility and scalability, enhanced security, improved collaboration, enabling faster innovation, and better business continuity. Cloud computing has gained significant popularity in Western countries; however, its adoption in Sri Lanka remains relatively limited compared to global trends. In particular, the adoption of cloud computing among small and medium-sized enterprises (SMEs) in the Colombo district has been hindered by several critical factors despite its global importance. This study examines the key obstacles influencing the adoption of cloud computing, highlighting trust, management style, technology utilization, and technological advancement as the primary determinants. Accordingly, this research seeks to address the existing gap by investigating the factors that influence cloud computing adoption among SMEs in Sri Lanka. This study employed a cross-sectional survey design guided by a deductive, quantitative research approach. Data were collected from 375 SMEs in the Colombo District, Sri Lanka, using a pre-tested structured questionnaire comprising 25 items administered via an online survey. The collected data were analysed using SPSS Version 21. The findings revealed that trust, management style, usage of technology, and technology innovation have significant positive relationships with cloud computing adoption in SMEs in Sri Lanka. The researchers highlighted the importance of developing trust between corporate executives with cloud service providers. They also suggest keeping attention on innovation and developing technology infrastructure. Cloud adoption will become essential for the survival and growth of Sri Lankan SMEs in the face of growing global competition. Recommended to do further research with additional criteria in future studies in different contexts to validate the present findings and generalizability.

Keywords: internet, IT infrastructure, scalability, sharing computing resources, SMEs