

**THE EFFECTIVENESS OF INFORMATION  
TECHNOLOGY BASED OPERATIONS IN SMALL  
MEDIUM ENTERPRISES**



**BY**

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## ABSTRACT

This article investigates the “effectiveness of information technology based operation in small medium enterprises” in Colombo district. SMEs have played a key role in the economies of both developed and developing countries in terms of turnover, level of employment and serve as a mechanism to fight against poverty as evidenced in the literature ( Akanji,2006, Akintoye and Oladejo, 2008, Akande ,2013). The current wave of information Technology calls for the attention of SMEs Entrepreneurial, scholars. E – Commerce, according to bansal andsharma (2006), is rapidly transforming the way of businesses functions are performed, posing new challenges to the Entrepreneurial profession.

This study took six variables to achieving success towards the effectiveness of information technology based operation in SMEs. The variables such as top management, IT management, user satisfaction, IT nature, IT use and organization culture have taken to this study to measure the effectiveness of IT. The aim of this study is to identify the effectiveness of IT based operations of the small medium enterprises on the above variables.

Information was gathered from employees who are working at small medium enterprises at least one year by themselves. The sample size is 100 SMEs in Colombo district. The collected data presented through the frequency table and analyzed through descriptive statistics such as mean and standard deviation and cross tabulation analysis.

According to the results obtained that the IT based operation are effectively on the small medium enterprises at high level with all variables. It was identified there is a positive contribution of effectiveness of IT based operations to small medium enterprises. Information technology has contributed to the effectiveness of operations in small medium enterprises ultimately.

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