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INFORMATION TECHNOLOGY (IT) UTILIZATION BY MANAGERS AND
ITS INFLUENCE ON ORGANIZATIONAL EFFICIENCY OF CEYLON
PETROLEUM CORPORATION (CPC).

by

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A Dissertation submitted to the
Department of Management Studies,
Open University of Sri Lanka
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In partial fulfillment of the requirements
For the Degree of
Commonwealth Executive Master of Business/Public Administration

June, 2006

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Abstract

The business community demands efficiency through Information Technology (IT) utilization. However, the literature reports mixed results about IT utilization. Most organizations all over the world are not making adequate use of their IT resources. This study focuses on the aforementioned problem in the Sri Lankan context. It is a momentous problem to deal with because it is unavailing to invest in IT if such investments do not promote organizational efficiency.

This study was carried out in order to identify the most significant factors which affect the utilization of IT to influence organizational efficiency at Ceylon Petroleum Corporation (CPC), Sri Lanka. Further, it examines the relationship between IT utilization and organizational efficiency.

The main argument in this study is that IT utilization does not necessarily create high organizational efficiency. The research was carried out with fifty managers from different functions in CPC. Data was collected from the managers of such functions through a comprehensive questionnaire.

A reviewing of past literature and interviews with six experts was used to identify the most significant IT utilization factors which make the organization efficient, and the Mann-Whitney test (Rank Sum Test) analysis technique was used to find out the relationship between IT utilization and organizational efficiency.

According to the findings, there are no significant relationships between the factors (human capital, internal infrastructure, external infrastructure) and organization efficiency and therefore IT utilization will not necessary result in high efficiency. This implies that IT is not a panacea and massive IT utilization can't make a bad business good.