

LOW-TENDENCY OF ADOPTION OF THE CLOUD-BASED HRM SOLUTIONS BY THE MICRO, SMALL, AND MEDIUM ENTERPRISES IN SRI LANKA

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Cloud computing is one of the most convenient and flexible online services, which is widely available on the internet, and enterprises can easily use them relatively at a greater cost-effectiveness. As a growing number of studies delineate, cloud computing services are significantly helpful to Micro, Small, and Medium-sized enterprises (MSMs) to optimize their business performance. However, a notable reluctance can be observed in the MSM owners in Sri Lanka despite the redundant cloud services available on the internet. Specifically, many MSM enterprise owners refuse to adopt cloud HRM applications to handle HR and administrative tasks in such enterprises. In order to examine this phenomenon, a qualitative exploratory study was designed cross-sectionally. Data were collected from nineteen MSM enterprise owners from semi-structured interviews. Results show that there is little tendency for such owners to adopt cloud HRM services for their firms. Less reliability of those cloud HRM services, less affordability, less awareness, absence of exclusively designed cloud applications for MSMs, and non-urgency to use cloud-based IT applications for HRM functions in MSM, uncertainty of the business growth due to the prevailing crisis are the main reasons for the low-tendency to adopt such applications. Conclusion and future research directions have been stipulated at the end.

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