

The Effect of Information System Resources and Information System Capability of Organization in Post War Sri Lankan Context

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ABSTRACT. In recent years, the role of information system has grown in importance. Thus, Information System (IS) is evolving into key part of a company's performance and this paper provides an analysis on the relationship between Information system resources and Information system capability in Sri Lankan Context; the basic idea is that a firm's IS capability can be explained by how effective the firm is in using IS resources to exchange Capability. Therefore, this concept developed "effect of IS Resources and IS Capability of organization. This study is empirically tested using data collected from IT managers or executives from IT department or IT unit from 46 firms in Colombo metropolitan area in Sri Lanka. Information technology infrastructure capabilities have been noted in prior research as having a significant impact on firm performance. However, it is not clear how these infrastructures meant and impact on IS capability and past study have implicitly assumed that IS assets could have direct influence on firm performance.

This paper examines how effective the relationship is being between IS Resources and IS Capability. IS Resources include Information System Human Capital (ISHC) and Information Technology Infrastructure (ITI) and IS capability includes IS Planning, System Development Capability, IS Support System, and IS Operations Capability. Structured questionnaire was included in the questionnaire with 5 points likert scale. Data analysis was done using correlation. Person's correlation coefficient was used to measure the linear relationship between variables.

This results provide evidence that IS Human Capital has positive significant effect on IS capability than IT Infrastructure has positive significant effect on capability.

These results have significant implication for future research and practice on how IS Resources and ARE capability contributed development of business and enhancement of firm performance.

Key words: Information System Resources, Information System Capability.

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