A STUDY ON THE CHOICE OF FREE & OPEN SOURCE SOFTWARE FOR GOVERNMENT SECTOR ENTERPRISE APPLICATIONS IN SRI LANKA

MASTER OF BUSINESS ADMINISTRATION



K M S P Jayawardena

Department of Computer Science & Engineering

University of Moratuwa

December 2008

A STUDY ON THE CHOICE OF FREE & OPEN SOURCE SOFTWARE FOR GOVERNMENT SECTOR ENTERPRISE APPLICATIONS IN SRI LANKA

 $\mathbf{B}\mathbf{y}$

K M S P Jayawardena



This Dissertation was submitted to the Department of Computer Science & Engineering of the University of Moratuwa in partial fulfillment of the requirement for the Degree of Master of Business Administration.

Department of Computer Science & Engineering
University of Moratuwa
December 2008

DECLARATION

"I certify that this thesis does not incorporate without acknowledgement, any material previously submitted for a degree or diploma in any university, to the best of my knowledge and believe it does not contain any material previously published, written or orally communicated by another person or myself except where due reference is made in the text. I also hereby give consent for my dissertation, if accepted, to be made available for photocopying and for interlibrary loans, and for the title and abstract to be made available to outside organizations"

Signature of the Candidate University of Moratu K M S P Jayawardena Jectronic Theses & www.lib.mrt.ac.lk	Date iwa, Sri Lanka. Dissertations	
The above particulars are correct, to the best of my knowledge.		
Supervisor	Date	
Prof. Gihan Dias		

ABSTRACT

This document presents a study on the selection of software for government sector enterprise applications. Many factors could influence the choice of software in government sector enterprise applications. The research is based on the following problem: what factors influence the choice of software for government sector enterprise applications, in the Sri Lankan context.

Information systems (IS) projects in several selected government sector organizations have been studied in depth during the course of the research. Around 30% of the investigated government sector information systems projects have been found to have used FOSS. Several factors have been identified to have affected the choice of software for government sector enterprise IS. Out of these, technical compliance, cost, bidders/developers expertise and maintenance/support options were some of the most commonly indicated factors. Cost was highlighted as an important factor in a majority of the investigated IS. However, the analysis revealed that cost did not influence the choice between FOSS and proprietary software, when implementing the IS. This was quite unusual given the common perception that FOSS is used to lower costs. It was concluded from the analysis that certain other factors including bidders/developers expertise, technical compatibility with legacy proprietary and maintenance/support options override the cost factor, when selecting software.

Based on the analysis and conclusions, several recommendations have been made to leverage on the benefits of FOSS in government sector enterprise IS. These recommendations include ways to achieve cost advantages, especially in large scale replication. It is recommended to nurture a FOSS ecosystem and to develop internal FOSS expertise within government organizations, in order to leverage on the advantages of FOSS in government sector enterprise IS.

<u>Keywords:</u> Enterprise Software, Government, Free and Open Source Software, Software Adoption.

ACKNOWLEDGEMENT

I would like to extend my heartfelt gratitude to my supervisor, Professor Gihan Dias for his invaluable guidance and constant encouragement. I would also like to thank Mrs Vishaka Nanayakkara and Dr Chandana Gamage for their guidance and advice.

This research would not have been possible if not for the sincere help of Mr. Wasantha Deshapriya, the staff at the ICT Agency and government organizations. I wish to thank them for spending their valuable time in order to make this research a success.

Finally I wish to thank my parents and family for their constant encouragement. I would especially like to thank my wife Nirasha, for bearing up with me and constantly encouraging me.

K M S P Jayawardena www.lib.mrt.ac.lk

MBA/IT/07/9071

TABLE OF CONTENTS

DECLA	ARATION	iii
ABSTR	RACT	iv
ACKNO	OWLEDGEMENT	V
Chapter	1: INTRODUCTION	1
1.1	Background of the study	1
1.1.	.1 Free and Open Source Software (FOSS)	1
1.2	The research problem	2
1.3	Research objectives	3
1.4	Significance of the study	3
1.5	Research methodology	3
1.6	Scope of the study	4
1.7	Data collection Electronic Theses & Dissertations	4
1.8	Data analysis www.lib.mrt.ac.lk	4
1.9	Nature and form of results	4
1.10	Structure of this document	4
Chapter	2: LITERATURE REVIEW	6
2.1	Success in Enterprise Systems	6
2.1.	.1 The DeLone and McLean Model	6
2.1.	.2 Enterprise Success Model	7
2.2	Use of FOSS in the Government Sector	9
2.2.	.1 Cost Savings	9
2.2.	.2 Security, stability and privacy	9
2.2.	.3 Independence	9
2.2.	.4 Helping domestic industries	9

2.2.5	Innovation	10
2.3 O _I	pen Source Adoption	10
2.3.1	Policies	11
2.3.2	Choice set	12
2.3.3	Selection	12
2.3.4	Other Adoption factors	13
Chapter 3:	RESEARCH METHODOLOGY AND DESIGN	14
3.1 Sc	ope of the research	14
3.2 Re	esearch strategy and approach	14
3.3 In	terview Design	14
3.3.1	A general investigation	15
3.3.2	Technology and Components	15
3.3.3	Specification development and selection in Lanka.	15
3.3.4	Factors affecting the selection & Dissertations	15
3.3.5	Issues, improvements and FOSS	15
Chapter 4:	RESEARCH FINDINGS	17
4.1 Sp	oread of the investigated projects	17
4.1.1	Implementation stage of the project	18
4.1.2	ICTA guided and non-ICTA projects	19
4.1.3	The use of FOSS/ Proprietary software in the project	19
4.1.4	Nature of Specifications Development and Implementation	20
4.2 Fa	ctor identification	21
Chapter 5:	ANALYSIS AND CONCLUSIONS	24
5.1 Te	echnical compliance	25
5.2 Co	ost	26

5.2.1	Total cost vs. the cost of the IS component	27
5.2.2	Compliance with existing technology	28
5.2.3	Use of unlicensed proprietary software	28
5.2.4	Conclusions	29
5.2.5	Methods of highlighting the cost as an important factor	29
5.3 Bio	dder/developer expertise	29
5.3.1	GIC Project	30
5.3.2	Internally developed system	31
5.3.3	Conclusions	31
5.4 Suj	pport and maintenance	32
5.4.1	Statistical perspective	32
5.4.2	A different scenario	33
5.4.3	Conclusion versity of Moratuwa, Sri Lanka.	33
5.5 Fac	Flectronic Theses & Dissertations www.lib.mrt.ac.lk	33
5.6 An		mplementation
methodolo	ogy	34
5.6.1	ICTA/SAGE	35
5.6.2	External consultant	37
5.6.3	Developed in-house	37
5.6.4	PPP	38
5.6.5	Summary of analysis by specifications development and i	mplementation
		38
Chapter 6:	RECOMMENDATIONS	40
6.1 Re	commendations on building expertise	40
6.2 Re	commendations on developing internal expertise	40
6.2.1	Knowledge sharing	41

6.3	Technical compatibility with legacy systems	41
6.4	Recommendations on developing specifications	41
6.5	Concluding remarks	42
REFER	ENCES	42
APPEN	IDIX A - List of organizations	45
APPEN	DIX B - List of projects	46
APPEN	IDIX C - Questionnaire	48



LIST OF FIGURES

Figure 1: Survey conducted by the CIO magazine (Orzech, D 2002)	2
Figure 2: The Updated D&M Model	7
Figure 3: The Enterprise Success Model	8
Figure 4: Open Source Adoption Model (Kwan and West 2005)	10
Figure 5: Implementation stage of investigated IS	18
Figure 6: Spread of ICTA and non-ICTA projects	19
Figure 7: The use of FOSS components in IS investigated	19
Figure 8: Projects by nature of specifications development	21
Figure 9: Spread of the identified factors among the investigated projects	24
Figure 10: Technology spread of IS that considered technical compliance as	s an
influential factor	26
Figure 11: Technology spread of IS that considered Cost as an influential factor	26
Figure 12: Technology spread of IS that considered bidder/developer expertise a	ıs an
influential factor	30
Figure 13: Technology spread of IS that considered support and maintenance a	is an
influential factor Electronic Theses & Dissertations	32
Figure 14: Factor summary	34
Figure 15: The spread of technology in ICTA/SAGE projects	35
Figure 16: The spread of technology in projects where external consultants	were
involved	37
Figure 17: The spread of technology in projects that were developed in-house	38
Figure 18: Summary of analysis by specifications development and implementa	ation
	39

LIST OF TABLES

Table 1: List of organizations and organization codes	46
Table 2: Investigated IS Projects	47



LIST OF ABBREVIATIONS

CIO - Chief Innovation Officer

CRM – Customer Relationship Management

FOSS – Free and Open Source Software

HRM – Human Resource Management

ICTA – The ICT Agency of Sri Lanka

IS – Information System

LGN – Lanka Government Network

MIS – Management Information System

ODBC - Online Database Connection

PPP – Private Public Partnerships

SAGE – Software Architecture Group of Experts

