A STUDY ON INFORMATION TECHNOLOGY ADOPTION AMONG SMALL MEDIUM ENTERPRISES (SMEs)

Dr. Arif Anjum
Assistant Professor in Commerce
G.D.A.B. Arts, Commerce and Science College,
Malegaon (Nasik) Maharashtra, India

ABSTRACT

The impact of new technologies in SME were described in this paper. The main focus is on exploring the opportunities that new technologies present to SME with the purpose to usage of information technology for competitive advantages in both local in addition to international markets. This study is the nature of descriptive research. 120 respondents were selected for this study and researcher applied the convenient sampling technique. Major findings of this study are Majority of the respondents say that they are accepted use IT Innovative application in their business, Majority of the respondents say that they are accepted capturing new market using Technology, Majority of the respondents say that they are Highly Interested with Adopting IT and Majority of the respondents say that they are accepting changes in technology for business Expansion.

Keywords: Commodity market, CInformation Technology, SMEs, Technology Readiness.

Introduction

Information Technology (IT) offers an opportunity to the businesses for improving their efficiency in addition to effectiveness, in addition to gain competitive advantages. Small and medium Enterprise (SME) plays a vital role in economical development of any country. There are several studies, which elaborate the linkage of information technology, economic development in addition to social change. At present, the economy in addition to traditional business becomes highly depending on new technologies due to information technology. Compared with traditional business new technologies facilitate an increased interactivity, flexibility, cheap business transactions as well as improve interconnection with business partners in addition to customers. Information technology is having a significant impact in sector of SME, especially where industries are in decline or when unemployment levels are high. In developing countries, SME development is drawing attention too in addition to modern trends of businesses in addition to information technology usages are taking place.

The impact of new technologies in SME were described in this paper. The main focus is on exploring the opportunities that new technologies present to SME with the purpose to usage of information technology for competitive advantages in both local in addition to international markets. Firstly, the paper highlighted the concept of SME in addition to information access in addition to their uses in addition to secondly, described SME in India in addition to ICT infrastructure.

Statement of the Problem

Lack of Information Technology in Small in addition to Medium enterprises in addition to it Spoil the reputation of the organization. Almost all are agreed on the importance of information in addition to communication technology adoption in SME, while the importance of SME as device to economic growth is well acknowledged in worldwide. Information technology, particularly the Internet have a significant impact on the operations of any small in addition to medium scale business in addition to it is claimed to be essential for the survival in addition to growth of nation's economies. Hence the present study has made an attempt to evaluate the information technology adoption among SMEs.

Objectives of the Study

- To Examine the Performance of Information Technology in Small and Medium Enterprises.
- To find out the factors that is influencing the decision to adopt Information Technology in Small and Medium Enterprises.
- To establish the reason for adopting or rejecting Information Technology at the Small and Medium Enterprises.
- To offer valuable suggestions based on findings

Review of Literature

Dos et al. [1993] studied statistical association link the IT spending in addition to performance measures such as profitability or stock's value. It is found that there is an insignificant association linking IT spending in addition to profitability measures, implying thereby that IT spending is unproductive.

The study has been done by **Gotlieb, in addition to Denny [1993],**is one of the studies that deals with the impact of IT on banking productivity per se. Computerisation is one of the factors which improves the efficiency of the banking transactions. They concluded that higher performance levels have been achieved without corresponding increase in the number of employees. Also, it has been possible for Public Sector Banks in addition to Old Private Banks to improve their productivity in addition to efficiency by using IT.

Brynjolfsson and Hitt [1996] , Cautioned that these findings do not account for the economic theory of equilibrium which implies that increased IT spending does not imply increased profitability. Highly recent firm level studies, however, point a highly positive picture of IT contributions towards productivity. These findings raise several questions about mis-measurement of output by not accounting for improved variety in addition to quality in addition to about whether IT benefits are seen at the firm level or at the industry level.

Dr. C. Rangarajan Committee [1983], had drawn up in 1983-84 the first blue print for computerisation in addition to mechanisation in banking industry in addition to looked into modalities of drawing up a phased plan for mechanisation for the banking industry covering period 1985-89. The committee in its report in 1984 recommended introduction of computerisation in addition to mechanisation at branch, regional office / zonal office in addition to head office levels of banks.

W.S. Saraf Committee [1994] in 1994, the Governor, RBI had appointed a committee on technology issues under the chairmanship of W. S. Saraf. The committee looked into technological issues related to the payment system in addition to make recommendations for widening the use of modern technology in the banking industry. TheSaraf committee recommended setting up institutions for electronic funds transfer system in India. The committee also reviewed the telecommunication system like use of BANKNET in addition to optimum utilization of SWIFT by the banks in India.

Balasubramanya S. (2002) in his study analysed that the automation in the banking sector has come a long way starting with the Rangarajan Committee report on the banking sector reforms during the eighties, followed by reports of the Narasimhan Committee in the nineties. With over 65,000 branches of the banks (public, private in addition to the cooperative sector) in the country, the author found that the percentage of branches 62 covered by automation was very low. Though many banks had claimed that highly than 70% business has been automated due to the enforcement of RBI guidelines, in reality it was much lower, as many functions in each branch were still done manually or with partial automation. Hence, there was a significant amount of automation work to be achieved in the banking sector.

1. Research Design

A research design is the arrangement of condition for collection in addition to analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure. In this study, descriptive research is used which includes surveys in addition to fact findings enquiries.

5.1 Primary data

The primary data are those which are collected fresh in addition to for the first time in addition to thus happen to be original in character. In this study, the data are collected through questionnaire.

5.2 Secondary data

Secondary data are those which have already been collected by someone else in addition to which have already been passed through statistical process. Data are taken from companies' official website, journals, in addition to books.

5.3 Sampling Design

Sampling design deals with the method of selecting items to be observed for the study. Here, convenience sampling techniques is used for the study, which is based on case of access.

5.4 Sample Size

120 employees of small in addition to medium enterprises were selected for the study.

2. Findings of the Study

- Majority (90%) of the respondents were Male, who are in the key position of the organisation.
- Majority (41%) of the respondents were 46 – 55 years of age and majority of them are working since the inception of the organisation.
- Majority (94%) of the respondents were married.
- Majority (40%) of the respondents are Graduation.
- Majority (80%) of the respondents are Middle level.
- Majority (72%) of the respondents said that they are know about Internet (or) computer access.
- Majority (60%) of the respondents say that they are using new software (or) application.
- Majority (35%) of the respondents say that they are Highly Important with internet technology very important.
- Majority (86%) of the respondents say that they are accepted using innovation technology.
- Majority (43% of the respondents say that they are highly helpful with IT Innovation helpful to achieve highly goals in their business.
- Majority (39%) of the respondents say that they are Highly Positive with First reaction for using IT Innovation to increase the productivity.
- Majority (92.5%) of the respondents say that they are accepted use IT Innovative application in their business.
- Majority (82%) of the respondents say that they are accepted capturing new market using Technology.
- Majority (54%) of the respondents say that they are Highly Interested with Adopting IT.
- Majority (94%) of the respondents say that they are accepting changes in technology for business Expansion.
- Majority (43.5%) of the respondents say that they are Highly Important with user's qualification for using technology.
- Majority (79%) of the respondents say that they are accepted IT knowledge & experience in their business.
- Majority (95%) of the respondents say that they are accepted feeling cherished by using IT services.
- Majority (89%) of the respondents say that they are accepted adopted any recent application.
- Majority (59%) of the respondents say that they are accepted special training program organized to improve the skill set of using IT.
- The Weighted Average Value '4' reveals that the respondents' opinion is Agree towards workers have the skills/training to use in internet technology.
- The Weighted Average Value '4' reveals that the respondents' opinion is satisfied towards the top management's Support & Commitment to use of new technology in their Organization.
- The Weighted Average Value '4' reveals that the respondents' opinion is Agree towards using IT Innovation in their business is an attractive idea.
- The Weighted Average Value '4' reveals that the respondents' opinion is satisfied towards using IT Innovation in their business.
- The Weighted Average Value '4' reveals that the respondents' opinion is satisfied towards using IT Investment in their business.
- The Weighted Average Value '4' reveals that the respondents' opinion is satisfied towards the experience of using the technology in business.
- There is no significant relationship linking Age in addition to Interest for using Internet technology.

- There is no significant relationship linking Educational level in addition to workers have the skills/training to use internet technology at the organization.

SUGGESTIONS

- Organizations have responsibility to trainer to Employees with updated Information Technology based on their Qualification.
- The Employees have a Interest with adopting Information Technology so organization must Concentrate about New Information Technology
- The Organization has to give effective training in addition to knowledge to based or Information Technology
- Based on the Organization Nature of work they have for adopting new application. It will be developed a company organization.

CONCLUSION

It also add further knowledge to the literature while highly comprehensive study of IT adoption within SMEs investigating SME-related influencing factors simultaneous with other aspects (drivers, enablers in addition to inhibitors) of IT adoption has been warranted by prior literature. In the first part, internal in addition to external factors influencing IT adoption is discussed. This section puts forward a proposed conceptual framework according to the literature in addition to also include inclusive categorization, as well as review of factors influencing adoption process. Finally, a brief explanation on the IT adoption issues in SMEs would be followed. Industry should develop the Information Technology by providing training program for the adoption of employees (or) Workers for the Improvement of their activities so that the small Industry will grow.

ACKNOLEDGMENT:

The project on which the present report is based was funded by the Indian Council of Social Science Research. However, the responsibility for the facts stated, opinions expressed, and conclusions reached is entirely that of the project director/author and not of the Indian Council of Social Science Research.

BIBLIOGRAPHY

1. **Acar, E., Koçak, I., Sey, Y., in addition to Arditi, D. (2005).** Use of information in addition to communication technologies by small in addition to medium-sized enterprises (SMEs) in building construction. Construction Management in addition to Economics, 23(7), 713-722.

2. **Adam Mahmood, M., Burn, J. M., Gemoets, L. A., in addition to Jacquez, C. (2000).** Variables affecting information technology end-user satisfaction: a meta-analysis of the empirical literature. International Journal of Human Computer Studies, 52(4), 751-771.

3. **Adamson, I., in addition to Shine, J. (2003).** Extending the new technology acceptance model to measure the end user information systems satisfaction in a mandatory environment: A Bank's Treasury. Technology Analysis in addition to Strategic Management, 15(4), 441-455. Interdisciplinary Journal of Research in Business Vol. 1, Issue. 7, July 2011(pp.53-80) 71

4. **Agarwal, R., in addition to Prasad, J. (1998).** A conceptual in addition to operational definition of personal innovativeness in the domain of information technology. Information Systems Research, 9(2), 204-215.

5. **Ahuja, V., Yang, J., in addition to Shankar, R. (2009).** Study of ICT adoption for building project management in the Indian construction industry. Automation in Construction, 18(4), 415-423.

6. **Al-Gahtani, S. S., Hubona, G. S., in addition to Wang, J. (2007).** Information technology (IT) in Saudi Arabia: Culture in addition to the acceptance in addition to use of IT. Information in addition to Management, 44(8), 681-691.

*****