

Determinant factors of supply chain technology adoption among Sabah Small and Medium Enterprises (SMEs)

ABSTRACT

Small and Medium Enterprises (SMEs) are the key industry in Malaysia which they play an important economic and social role and often contributed to innovation to the country. However, the SMEs in Malaysia still face great challenges within their supply chain such as limited technology access, low productivity, and poor managerial capabilities. Sabah SMEs has low production levels and had to slow down the development of products and services. It will continue affecting the overall operation of Sabah SMEs. As Sabah SMEs have the biggest contribution to Sabah's development and provide many job opportunities, thus, it is needed for this study to identify determinant factors that influence the adoption of supply chain technology within Sabah SMEs such as perceived usefulness, complexity, compatibility and top management support. This study use diffusion of innovation (DoI) theory as underpinning theory to explain the adoption of supply chain technology according to the aspects of innovation attributes and organizational factor. This study employs a quantitative approach through a survey questionnaire distributed purposefully to Sabah SMEs in all sectors (manufacturing, services, and agriculture). The respondents' data obtained will be analysed through Statistical Package for Social Sciences (SPSS) for descriptive analysis while statistical data will be analysed through Structural Equation Modelling (SEM) via Partial Least Squares (PLS). The outcome is to examine the relationship between the variables and the extent to which the relationship between the variables was related to each other. Hence, this finding may help the SMEs entrepreneur, researchers, and policy-makers to realize and make a refinement on supply chain technology adoption among Sabah SMEs.