

**ADOPTION OF INFORMATION TECHNOLOGY AMONG
MANUFACTURING FIRMS IN TAMPOI, JOHOR**

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**MASTER OF BUSINESS ADMINISTRATION
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DEDICATION

**to my grandfather, my parents, my sisters, my uncle
and my ever supportive PC...**



**Fakulti Pengurusan Perniagaan
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ABSTRACT

The purpose of this study is to examine the extent of information technology adoption among manufacturing firms located in Tampoi, Johor. This study examines the likelihood of information technology adoption based on CEO characteristics, organization characteristics, information technology characteristics and environmental characteristics in order to identify the extent of information technology adoption in manufacturing firms. The identification of factors that contribute most to information technology adoption deepens current understanding of how effective information technology planning is being carried out in firms. Such findings are necessary and lay the foundation for the eventual development of effective information technology adoption strategies for firms. The findings show that factors that influence the adoption of information technology include CEO characteristics and organizational characteristics. This study concludes that regardless of the firm size, CEO innovativeness, CEO attitude towards adoption of information technology and CEO information technology knowledge are essential determinants to the adoption of information technology in manufacturing firms.

TABLE OF CONTENTS

<i>CHAPTER</i>	<i>CONTENT</i>	<i>PAGE</i>
CHAPTER I	INTRODUCTION	
	1.0 Introduction	1
	1.1 Statement of Problem	3
	1.2 Research Questions	4
	1.3 Hypotheses	5
	1.4 Scope of Research	6
	1.5 Significance of Study	6
	1.6 Limitation of Study	7
	1.7 Concept and Definition	8
	1.7.1 Conceptual Definition	8
CHAPTER II	LITERATURE REVIEW	
	2.0 Introduction	10
	2.1 Adoption of Technology	13
	2.2 CEO Characteristics	16
	2.2.1 CEO Innovativeness and IT Knowledge	16
	2.3 Organizational Characteristics	19
	2.3.1 Firm Size	19
	2.4 Information System Characteristics	21
	2.4.1 Advantage of IT	21

	2.4.2	Compatibility and Complexity of IT	23
	2.5	Environmental Characteristics	26
	2.5.1	Competition	26
CHAPTER III		RESEARCH METHODOLOGY	
	3.0	Introduction	28
	3.1	Theoretical Framework	28
	3.2	Population	29
	3.3	Sample	30
	3.4	Respondents	30
	3.5	Data Collection Methods	30
	3.5.1	Primary Data Collection	31
	3.5.2	Secondary Data Collection	33
	3.6	Pilot Test	34
	3.7	Analysis	34
CHAPTER IV		RESEARCH ANALYSIS	
	4.0	Introduction	35
	4.1	Distribution of Questionnaire	35
	4.2	Questionnaire Validity	37
	4.3	Respondent Biodata	40
	4.3.1	Category of Firms	40
	4.3.2	Sex	41
	4.3.3	Race	42

4.3.4	Age	43
4.3.5	Years of Service	45
4.3.6	Level of Education	46
4.4	Firm / Business size	48
4.5	CEO IT Knowledge	49
4.6	Measurement of Adoption of Information Technology	50
4.7	Respondent Perception on Information Technology	55
4.8	Analysis on Hypotheses	60
4.8.1	<i>t</i> -test	61
4.8.2	Pearson correlation	64

CHAPTER V	DISCUSSION AND CONCLUSION	
5.0	Introduction	66
5.1	Discussion	67
5.2	Limitations of Research	75
5.3	Future Research	76
5.4	Conclusion	76

REFERENCE

APPENDIX

CHAPTER I

INTRODUCTION

1.0 Introduction

In recent years, technology has become an ever increasing presence in the workplace and is one of the hot topics in the business world. More and more businesses in the Malaysian industry had incorporated the latest technology into their operations. This is because technology has become a major facilitator of business activities as networked computing is helping businesses to excel or to survive. Systems used to record and analyze data and for business transactions are considered lifelines for many firms.

The Malaysian industry consists of manufacturing and non-manufacturing firms that range from small, medium to big firms. It includes firms from electrical, food, machinery, petroleum, plastics or rubber, pharmaceutical to service sector, non-profit organization and government sector that used information technologies to support the operations of the firm. This is evident by the fact that firms have information technology and information systems departments as the key components in their organizations.

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innovation can be applied to the study of adoption of information technology in the context of manufacturing firms.

The above mentioned findings have important implications. More computer based management information systems research must be conducted in manufacturing firms setting. Manufacturing firms should allocate their information technology related resources in terms of monetary and manpower effectively, in order to avoid firms spending too much money on equipment and not enough on software and personnel.

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