

The factors impact information technology adoption among employees  
at tax authority of Yemen

A thesis submitted to The Facility of Business Management in partial fulfillment of the  
requirements for the degree of Master of Business Administration

**Gamal Abdullah Al-Douis**

College of business  
University Utara Malaysia



KOLEJ PERNIAGAAN  
(College of Business)  
Universiti Utara Malaysia

**PERAKUAN KERJA KERTAS PROJEK**  
(*Certification of Project Paper*)

Saya, mengaku bertandatangan, memperakukan bahawa

(*I, the undersigned, certify that*)

**GAMAL ABDULLAH AL-DOUIS (801169)**

Calon untuk Ijazah Sarjanamuda

(*Candidate for the degree of* **MASTER OF BUSINESS ADMINISTRATION**)

telah mengemukakan kertas projek yang bertajuk

(*has presented his/her project paper of the following title*)

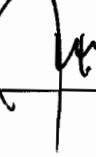
**THE FACTORS IMPACT INFORMATION TECHNOLOGY ADOPTION AMONG EMPLOYEES AT  
TAX AUTHORITY OF YEMEN**

Seperti yang tercatat di muka surat tajuk dan kulit kertas project  
(*as it appears on the title page and front cover of the project paper*)

Bahawa kertas projek tersebut boleh diterima dari segi bentuk serta kandungan dan meliputi bidang ilmu dengan memuaskan.

(*that the project paper acceptable in the form and content and that a satisfactory knowledge of the field is covered by the project paper*).

Nama Penyelia : **DR. FAIS AHMAD**

Tandatangan : 

Tarikh : **06 MAY 2010**

## **DECLARATION**

I declare that all the work described in this dissertation was undertaken by me (unless otherwise acknowledged in the text) and that none of the work has been previously submitted for any academic degree. All sources of quoted information have been acknowledged through references.

**Gamal Abdullah Al-Douis**

**801169**

**Post Graduate studies**

**College of Business**

**University Utara Malaysia**

**06010 Sintok**

**Kedah**

**May 2010**

## **PERMISSION TO USE**

In presenting this thesis, in fulfilment of the requirement for the Master of Business Administration from the University Utara Malaysia, I agree that University Library may make it freely available for inspection.

I also grant permission for copying of this thesis in any manner, in a whole or part, for scholarly purposes. In my absence, this may be granted by supervisor Dr. Fais. Ahmad or in his absence by the Assistant Vice Chancellor, College of Business. It is understood that any copying, publishing or use of this thesis for financial gain and any other non-scholarly purpose shall not be allowed without my written permission. It is also understood that due recognition shall be given to me and to University Utara Malaysia for any scholarly use from any material in my thesis.

Request for permission to copy or to make other use of materials in this thesis, in whole or in part, should be addressed to:

**Assistant Vice Chancellor  
College of Business  
University Utara Malaysia  
06010 Sintok  
Kedah Darul Aman**

## **ABSTRACT**

Information is powerful. This great statement led to do this research by seeing information technology power in developing several countries such as Malaysia.

Due to the increased organizational dependence on information systems and technology, most of today's organizations and governments have plans to implement information technology in all of their job processing and communication tools.

This study aims to describe the current state of information technology adoption among employees in Tax Authority of Yemen and to find the relationship with complexity, compatibility, and relative advantages. To deepen the analysis, reliability test has been done, then, study used liner regression to test the hypothesis. Moreover, descriptive statistics was computed to describe the current state of information technology adoption by using tables, charts and graphs to present the findings in an understandable manner. As a result of the study relative advantages has the highest relationship, then compatibility, and complexity.

This research provided some recommendations through its results both can help the top management of tax authority of the Republic of Yemen push growing of information technology implementation.

## **ACKNOLEDGEMENT**

First of all, thanks to Allah SWT, who with His willing has given me the capability to complete this project. All Praise and Gratitude is due to Allah, the most Beneficent, the Most Merciful, for without Him, everything will cease to be, and peace and blessing upon our beloved Prophet Mohammad.

I would like to express my sincere gratefulness to my supportive and helpful supervisor, Dr. Fais Ahmad for his encouragement, support and guidance to complete this paper and overcome the challenges behind it.

Besides I would further like to express my gratitude to the authority of Utara University Malaysia (UUM) for providing me and all students with a good environment and facilities to acquire knowledge. Also, I would like to take this opportunity to thank to the College of Business (COB) including all lecturers who taught me during the whole MBA program study period.

I wish to convey my deep appreciation to Mr. Noman Alsohibi and Mr. Ahmad Galeb for continues support.

A special thanks goes to my friends who helped in any way in the completion of this project. Mr. Hamdan Amer Aljaefi and Abdo Ali Homaid are the most helpful persons. I am grateful to all those who helped in making this study possible.

My deepest appreciation goes to my family who shared with me both the joy and frustration during my study in Malaysia. I specially dedicate my gratitude to my father who taught me how to respect others and live with his moral support along my life time. Moreover, my cheerful gratitude is also addressed to my dear mother for her motivation, dedication and indescribable love. Both of them were the secret behind my success. Their prayers lightened the darkness of my life. My brothers and sisters cannot be ignored; words and expressions won't be sufficient to describe their role in my study life. Last but not least, I offer my demonstrative appreciations to my wife and children who understood my commitment and were always the source of my inspiration.

## TABLE OF CONTENTS

Contents	Page
Declaration	I
Permeation to use	II
Abstract	III
Acknowledgement	IV
Table of contents	VI
List of tables	IX
List of figures	XI
<b>CHAPTER ONE : INTRODUCTION</b>	
1.1 Introduction	1
1.2 Background of Study	3
1.2.1 Republic of Yemen's Background	3
1.2.2 Communication and Information Technology in the Republic of Yemen	4
1.3 Problem Statement	5
1.4 Research Question	8
1.5 Research Objective	8
1.6 Justification of Research (Research Gap)	9
1.7 Scope of Study	9
1.8 Significance of Study	10
1.8.1 Operational definition	11
1.8.2 Limitation of the study	11
1.9 Organization of the study	11

## **CHAPTER TOW LITERATURE REVIEW**

2.1 Introduction	12
2.2 Information technology in Yemen	16
2.3 Information technology in tax authority of Yemen government	17
2.4 Diffusion of Innovation Theory	19

## **CHAPTER THREE RESEARCH METHODOLOGY**

3.1 Introduction	24
3.2 The research design	24
3.3 Population and sample	25
3.4 Hypothesis	26
3.5 Data Analysis Method	27

## **CHAPTER FOUR :ANALYSIS AND RESULTS**

4.1 Introduction	28
4.2 Overview of the collected data	28
4.3 Response Rate of the study	29
4.4 Analysis on Demographic Characteristics	29
4.5 Profile of respondents	30
4.5.1 Gender of participants	30
4.5.2 Age of participants	31
4.5.3 Education of participants	32
4.5.4 Occupation of participants and there level in the organization	33
4.5.5 Period of work at government	34
4.5.6 Computer usage in job	35
4.5.7 Computer usage in job	36
4.5.8 Goodness in internet usage	37

4.6 Descriptive analysis for data used	39
4.8 The reliability test	63
4.9 Hypothesis testing	64
4.9.1 Compatibility and adoption of information technology hypotheses	64
4.9.2 Complexity and adoption of information technology hypotheses	65
4.9.3 Relative advantage and adoption of information technology hypotheses testing	66
4.10 Regression Results	67
4.10.1 Compatibility and adoption of information technology	67
4.10.2 Complexity and adoption of information technology	68
4.10.3 Relative advantage and adoption of information technology	68
<b>CHAPTER FIVE DISCUSSION, CONCLUSION, AND RECOMMENDATIONS</b>	
5.1 Introduction	70
5.2 Summary of findings	70
5.3 Recommendation for future research	72
5.4 Conclusion	73
<b>References</b>	
Appendix	

## **List of Tables**

	<b>Table</b>	<b>page</b>
Table 1.1 computers for every person in world and some countries including Yemen	5	
Table1.2 e-government readiness for some countries including Yemen	5	
Table 4.1 Response rate table	29	
Table 4.2 Gender	30	
Table 4.3 Age	31	
Table 4.4 Education	32	
Table 4.5 Occupation	33	
Table 4.6 Period of government work	34	
Table 4.7 Computer usage at work	35	
Table 4.8 Computer usage at home	36	
Table 4.9 Internet usage	37	
Table 4.10 Descriptive Statistics	38	
Table 4.11 AIT1	39	
Table 4.12 AIT2	40	
Table4.13 AIT3	41	
Table4.14 AIT4	42	
Table4.15 AIT5	43	
Table4.16 AIT6	44	
Table4.17 CX1	45	
Table4.18 CX2	46	
Table4.19 CX3	47	
Table4.20 CX4	48	
Table4.21 CX5	49	

Table4.22 CX6	50
Table4.23 CT1	51
Table4.24 CT2	52
Table4.25 CT3	53
Table4.26 CT4	54
Table4.27 CT5	55
Table4.28 CT6	56
Table4.29 RA1	57
Table4.30 RA2	58
Table4.31 RA3	59
Table4.32 RA4	60
Table4.33 RA5	61
Table4.34 RA6	62
Table 4.35 Reliability Statistics	64
Table 4.36 Correlations with CT	65
Table 4.37Correlations with CX	66
Table 4.38 Correlations with CT	67
Table4.39 Model Summary	69
Table 4.40 Coefficients	69

## List of figures

Figure	Page
Figure 2.1 frame work of diffusion of innovation theory	20
Figure 3.1 conceptual frame work for the study	25
Figure 4.1 Response Rate of participants	29
Figure 4.2 Gender of participants	30
Figure 4.3 Age of participants	31
Figure 4.4 Education of participants	32
Figure 4.5 Occupation of participants	33
Figure 4.6 Government work period of participants	34
Figure 4.7 Computer usages in job	36
Figure 4.8 Computer usage in home	37
Figure 4.9 Internet usage	38
Figure 4.10 AIT1	39
Figure 4.11 AIT2	40
Figure 4.12 AIT3	41
Figure 4.13 AIT4	42
Figure 4.14 AIT5	43
Figure 4.15 AIT6	44
Figure 4.16 CX1	45
Figure 4.17 CX2	46

Figure 4.18 CX3	47
Figure 4.19 CX4	48
Figure 4.20 CX5	49
Figure 4.21 CX6	50
Figure 4.22 CT1	51
Figure 4.23 CT2	52
Figure 4.24 CT3	53
Figure 4.25 CT4	54
Figure 4.26 CT5	55
Figure 4.27 CT6	56
Figure 4.28 RA1	57
Figure 4.29 RA2	58
Figure 4.30 RA3	59
Figure 4.31 RA4	60
Figure 4.32 RA5	61
Figure 4.33 RA6	62

# CHAPTER ONE

## INTRODUCTION

### 1.1 Introduction

Information is powerful. Information is useful in telling an organization how its current operations are performing and estimating and strategizing how future operations might perform. (Baltzan & Philips, 2009).

Information is everywhere in around the organizations, however, managing it successfully, and how and when it can be gotten helps managers in top management as well as in several positions to take the right decision. Therefore, they must get the right information in the appropriate time with an appropriate form.

Information is considered as an organization asset. It is widely acknowledged that organizations increasingly depend on information technology (IT) for the execution of a variety of operational, tactical, and strategic processes (Applegate et al. 2003).

Governments around the world like the United States, Singapore, Canada, and United Arab Emirates have succeeded in implementing e-government, and, as a result, have gained many benefits; some of these benefits are shown below:

- Simplifying delivery of services to citizens
- Minimizing the government bureaucracy
- Improved interactions among government units and with business, industry and citizens
- Increased empowerment of citizens and businesses through access to information, knowledge and services

The contents of  
the thesis is for  
internal user  
only

## REFERANCES

Shetty, V. A. (2003). Why most e-government projects fail. *Financial Daily from The Hindu Group of publications* Electronic Edition. Retrieved July 11, 2006 from  
<http://www.blonnet.com/2003/11/15/stories/2003111500050800.htm>

*The world factbook (Yemen)*. Retrieved December 10, 2005 from  
<http://www.cia.gov/cia/publications/factbook/print/ym.html>.

Alam, M. (2007). E-governance: scope and implementation challenges in Bangladesh.

Alsohybe, N. (2007). The implementation of e-government in the Republic of Yemen: An empirical evaluation of the technical and organizational readiness. Unpublished Ph.D., Capella University, United States -- Minnesota.

Brynjolfsson, E., & Hitt, L. (1998). Information technology and organizational design: evidence from micro data. Manuscript, MIT.

Jubran, M. (2006). Tax policy: A Comparative Income Tax System in Yemen and India. Unpublished Ph.D., Bona University, India -- Bona.

Melville, N., Kraemer, K., & Gurbaxani, V. (2004). Review: Information technology and organizational performance: An integrative model of IT business value. *MIS quarterly*, 283-322.

Park, S., O'Brien, M. A., Caine, K. E., Rogers, W. A., Fisk, A. D., Van Ittersum, K., et al. (2006). Acceptance of Computer Technology: Understanding the User and the Organizational Characteristics.

Pinsonneault, A., & Kraemer, K. L. (1993). The impact of information technology on middle managers. *Mis Quarterly*, 17(3), 271-292.

Stewart, R. A. (2008). A framework for the life cycle management of information technology projects: ProjectIT. *International Journal of Project Management*, 26(2), 203-212.

UN-ESCWA. (2007). Profile of the Information Society in the Republic of Yemen

World Bank. (2002). *The E-government handbook for developing countries*. InfoDev. Retrieved November 1, 2005, from [http://www.infodev.org/files/1064\\_file\\_eGouvernement\\_Handbook.pdf](http://www.infodev.org/files/1064_file_eGouvernement_Handbook.pdf).

Kwon, T. & Zmud, R. (1987). Unifying the fragmented model of information systems implementation. Boland and Hirschheim (Eds.). *Critical issue in information systems research*. New York: John Wiley.

Rogers, E. M. (1995). *Diffusion of innovations*. (4<sup>th</sup> ed.). New York: Free Press.

Rogers, M. E & Scott, K.L. (1997). The diffusion of innovation model and outreach from the national network of libraries of medicine to Native American Communities, University of New Mexico, Albuquerque, New Mexico. Retrieved June 5, 2006 from <http://nnlm.gov/evaluation/pub/rogers/>.

Bonham, M., Seifert, J., & Thorson, S. (2003). *The transformational potential of e-government: The role of political leadership*. Retrieved on October 21, 2005, from [www.maxwell.syr.edu/maxpage/faulty/gmbonham/ecpr.htm](http://www.maxwell.syr.edu/maxpage/faulty/gmbonham/ecpr.htm).

Carroll, J. M. (2002). Human-Computer Interaction, the Past and the Present. In Carroll, J.M. (Eds.), *Human-Computer Interaction in the New Millennium*. New York: Addison -Wesley.

McGowan, M., & Madey, G. (1998). Adoption and implementation of electronic data interchange. Larson and McGuire (Eds.). *Information systems innovation and diffusion: Issues and Directions*. London: Idea Group Publishing.

Vogt, Paul W. 1993. Dictionary of Statistics and Methodology. London: Sage Publications.