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DETERMINANTS OF PURCHASE DECISION OF CLIENT-SERVER HARDWARE SYSTEM (C-SHS) IN MALAYSIAN SME BUSINESSES

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DOCTOR OF BUSINESS ADMINISTRATION
UNIVERSITI UTARA MALAYSIA
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DETERMINANTS OF PURCHASE DECISION OF
CLIENT-SERVER HARDWARE SYSTEM (C-SHS)
IN MALAYSIAN SME BUSINESSES

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Othman Yeop Abdullah Graduate School of Business,
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Administration

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ABSTRACT

Information and communications technologies (ICT) is regarded as an essential tool in enhancing competitiveness of small and medium enterprises (SMEs) in global marketplaces. Consequently, client-server hardware system (C-SHS) has gained its popularity in SM enterprises. However, there is no specific research done about determinants of purchase decision of C-SHS in SMEs particularly in Malaysia. Thus, this research filled this gap and developed a research problem on *why and how to establish the determinants of purchase decision of C-SHS in Malaysian SME businesses.*

A preliminary theoretical framework based on literature and also the integration of Technology Acceptance Model, Diffusion of Innovation theory, and Technology, Organization, and Environment framework was developed. This research employed qualitative methodology using convergent interview and thematic data analysis techniques to explore and confirm the preliminary theoretical framework. Convergent interview is opted since it allows a greater depth of data collection than other types of interviews as it attempts to gain insight into the informant’s understanding of a situation or process. The identification of respondents in this research was based on a snowballing technique. The findings from this research confirmed 16 determinants of purchase decision of C-SHS in SMEs, that are, relative advantage, compatibility system, complexity system, existing IT infrastructure, trialability, cost of purchase, top management support, end user IT skill, owner characteristics, resources availability/constraint, perceived usefulness, perceived ease of use, competitive pressure, government support, customer pressure, vendors competency & support. In addition, five (5) newly determinants had been discovered, that are, scalability system, security system, new initiative, brand loyalty, and green IT environment. These newly discovered determinants represent new contributions to the body of knowledge. As a consequent, a revised theoretical framework is derived to capture these new discoveries. The finding of this research has implications on policy, practice, and methodological aspects.

**Keywords:** Information and Communications Technologies, client-server hardware system, Small and Medium Enterprises.

Kata kunci: Teknologi Maklumat dan Komunikasi, Sistem Pelanggan-Pelayan, Perusahaan Kecil dan Sederhana
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**List of Abbreviations**

ACC A : Association of Chartered Certified Accountants.
ADB : Asian Development Bank
APEC : Asia-Pacific Economic Cooperation
C-SHS : Client-Server Hardware System
CP : Computer Paradigm
EC : Economic Census
ED : Environmental Determinants
EG : Edinburgh Group
ICT : Information and Communication Technology
IFC : International Finance Cooperation
IS : Information System
IT : Information Technology
MENA : Middle East and Northern Africa
MNEs : Multinational Enterprises
NSDC : National SME Development Council
OECD : Organization for Economic Co-operation and Development
OD : Organizational Determinants
SMEs : Small and Medium Enterprises
SSM : Suruhanjaya Syarikat Malaysia (Companies Commission of Malaysia)
TD : Technological Determinants
CHAPTER 1: INTRODUCTION

1.0 Introduction

This chapter mainly serves as the overview and the background of what this research topic is all about and what is the main problem to be addressed by undertaking this research. It discusses the importance of this research topic and its contribution to the body of knowledge in pertaining to the information and communication technology (ICT) context, specifically in the small and medium enterprises (SMEs) business in Malaysia. In additional this chapter also outlines how this dissertation is prepared. In brief, this chapter is organized according to nine (9) main sections as shown in the flow chart below, Figure 1.1.

Figure 1.1
The organization and flow of Chapter 1

Source: developed for this research
The contents of the thesis is for internal user only
REFERENCES


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Taiwan’s communications industry. *Journal of Computer Information Systems*, 48, 94-102.


**APPENDICES**

**Appendix 1: Qualitative vs quantitative research**

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Qualitative</th>
<th>Quantitative</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Nature of reality</td>
<td>• relates to the descriptions, meaning, concepts, definitions, metaphors, and symbols of things, that is, 'what', 'how', 'when', and 'where'</td>
<td>• counts and measures of things</td>
</tr>
<tr>
<td>2. Objective</td>
<td>• to gain a qualitative understanding of the underlying reasons and motivations</td>
<td>• to quantify the data and generalise the results from the sample to the population of interest</td>
</tr>
<tr>
<td>3. Control</td>
<td>• conducted in natural settings</td>
<td>• controlled settings to prevent outcomes becoming improperly influenced outcomes</td>
</tr>
<tr>
<td>4. Orientation</td>
<td>• systematically understand people’s life experience through human involvement</td>
<td>• answer questions such as 'how many', 'how often', and 'what proportion'</td>
</tr>
<tr>
<td>5. Interaction with respondent</td>
<td>• more interaction with the participants, and more room for ongoing alteration as the research proceeds</td>
<td>• little opportunity to alter initial decisions in the light of early findings</td>
</tr>
<tr>
<td>6. Type of analysis</td>
<td>• subjective, interpretive</td>
<td>• statistical summarisation</td>
</tr>
<tr>
<td>7. Sample size</td>
<td>• small</td>
<td>• large</td>
</tr>
<tr>
<td>8. Type of data gathered</td>
<td>• ‘real’, ‘rich’, and ‘deep’</td>
<td>• ‘hard’ and ‘replicable’</td>
</tr>
</tbody>
</table>

Source: extracted from Mohd Harif (2002)