



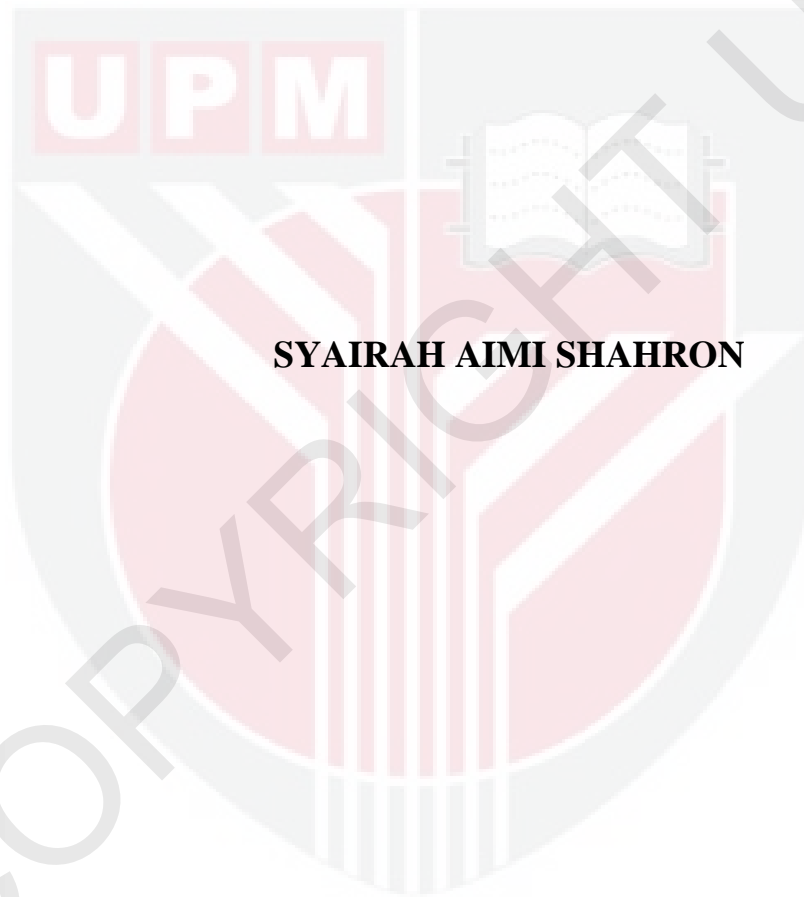
UNIVERSITI PUTRA MALAYSIA

**INFLUENCE OF ORGANIZATIONAL CULTURE ON ORGANIZATIONAL
PERFORMANCE, PERCEIVED OBSTACLES AND TECHNOLOGY USAGE
INTENTION AMONGST SMALL AND MEDIUM ENTERPRISES IN
MALAYSIA**

SYAIRAH AIMI SHAHRON

GSM 2011 11

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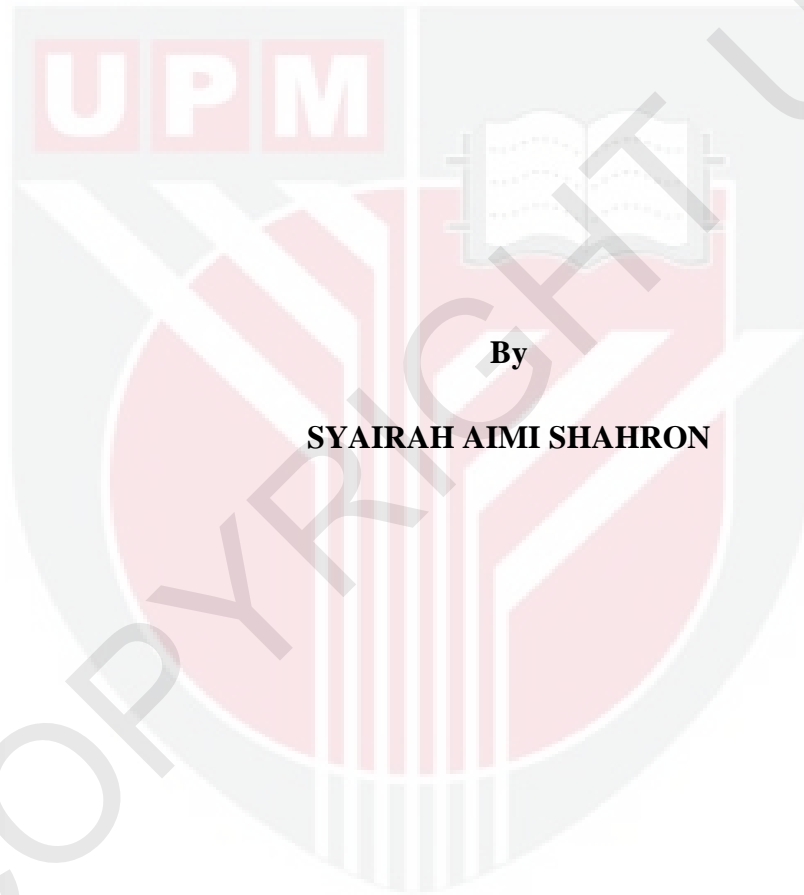


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**MASTER OF SCIENCE
UNIVERSITI PUTRA MALAYSIA**

2011

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PERFORMANCE, PERCEIVED OBSTACLES AND TECHNOLOGY USAGE
INTENTION AMONGST SMALL AND MEDIUM ENTERPRISES IN MALAYSIA**



By

SYAIRAH AIMI SHAHRON

**Thesis Submitted to the Graduate School of Management, Universiti Putra Malaysia, in
Partial Fulfillment of the Requirement for the Degree of Master of Science**

April 2011

Abstract of thesis presented to the Senate of Universiti Putra Malaysia in partial fulfillment of the requirement for the degree of Master of Science

INFLUENCE OF ORGANIZATIONAL CULTURE ON ORGANIZATIONAL PERFORMANCE, PERCEIVED OBSTACLES AND TECHNOLOGY USAGE INTENTION AMONGST SMALL AND MEDIUM ENTERPRISES IN MALAYSIA

By

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February 2011

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Faculty: Graduate School of Management, GSM-UPM

The failure to adopt and absorb the benefits of advanced technologies (AMT) for their own advantage can hinder small and medium companies from becoming or remaining competitive in the global market. Therefore, this study aims to investigate the relationship between organizational culture on the perceived obstacles of AMT adoption, organizational performance and technology usage intention. In addition this study seeks to determine the role of perceived benefits of AMT adoption as mediator on the relationship between organizational performance and technology usage intention. Based on the gaps in the body of knowledge and objectives of the study theoretical framework were developed.

Based on the data collected from 152 SME manufacturers only 140 SME manufacturers were qualified for further analysis. The data was analyzed using Statistical Package for Social Science (SPSS) version 15.0 (Pearson Correlation, Multiple Regression and Hierarchical Mediated Regression). Competing Value Framework which consists of four culture: group, developmental, rationale and hierarchy culture proposed by Quinn and Rohrbaugh (1981) was used in this study. Results indicate that regardless of the organizational culture, firms perceived that financial, knowledge, and infrastructure and external support are the obstacles towards the technology adoption. However, it was found, the higher the group or the rationale culture, the less likely firms perceived people resistance as obstacles towards technology adoption.

Based on this study, it was also found that high rationale culture value in the organization will lead to the high level of technology usage intention. In terms of perceived benefits, firms that perceived high operational and managerial benefits as a result of adopting the technology have higher technology usage intentions. Meanwhile, for perceived obstacles, the result showed that the higher firms perceived people resistance and knowledge as an obstacle toward technology adoption, the lower their technology usage intention, while, the higher firms perceive financial, and infrastructure and external support obstacles, the higher their technology usage intention.

This study suggests that organization with stronger elements of group culture and rationale culture are more likely to experience higher performance. This study also found that performance level impact the way firms perceived benefits of AMT adoption. This implies that, the higher the performance of the organizations, the more likely they perceived the operational, managerial and competitive benefits as a result from AMT adoption. Further analysis on this study signifies that the effect of organizational performance towards technology usage intention is greater when these firms perceived higher operational and managerial benefits as a result of the technology adoption.

This study offered several implications for both the academic and practitioner audience. This study has covered the identified gaps and added value to the knowledge on the field of advanced technology adoption and organizational culture. Meanwhile, practical implications addressed the contributions made towards improving the advanced manufacturing adoption amongst SME.

Abstrak tesis yang dikemukakan kepada Senat Universiti Putra Malaysia sebagai memenuhi sebahagian keperluan untuk ijazah Master Sains

**PENGARUH BUDAYA ORGANISASI KE ATAS PRESTASI ORGANISASI,
PERSEPSI KEBURUKAN DAN KEINGINAN UNTUK MENGGUNAKAN
TEKNOLOGI PEMBUATAN DI KALANGAN INDUSTRI KECIL DAN
SEDERHANA DI MALAYSIA**

Oleh

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Februari 2011

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Kegagalan untuk menggunakan dan menyerap kebaikan yang ditawarkan oleh teknologi terkini (AMT) dapat menghalang syarikat industri kecil dan sederhana (IKS) daripada menjadi atau kekal bersaing dalam pasaran global. Oleh itu, kajian ini adalah bagi mengenalpasti hubungan antara budaya organisasi dengan persepsi halangan dalam menggunakan AMT, prestasi organisasi dan keinginan menggunakan teknologi. Kajian ini juga menentukan peranan persepsi kebaikan sebagai perantara di antara hubungan prestasi organisasi dan keinginan menggunakan teknologi.

Berdasarkan data yang diperolehi daripada 152 kilang IKS hanya 140 kilang IKS layak untuk di jalankan analisa. Analisis di jalankan menggunakan *Statistical Package for Social Science (SPSS)* versi 15.0 (*Pearson Correlatio, Multiple Regression, Mediated Hierarchical Regression*). Budaya organisasi menggunakan dimensi daripada Quinn dan Rohrbaugh (1981) iaitu Cmpeting Value Framework yang megandungi empat budaya organisasi iaitu Kumpulan, Pembangunan, Rasional dan Hierarki. Hasil kajian menunjukkan budaya organisasi tidak mempengaruhi persepsi syarikat ke atas halangan kewangan, pengetahuan, dan juga infrastruktur dan sokongan luaran. Walau bagaimanapun, didapati bahawa budaya kumpulan dan rasional yang tinggi akan menyebabkan kurangnya halangan pekerja.

Kajian ini juga mendapati budaya rasional yang tinggi dalam organisasi menyumbang kepada keinginan penggunaan teknologi yang tinggi. Dari segi persepsi kebaikan, organisasi yang mempunyai persepsi kebaikan operasi dan pengurusan yang tinggi mempunyai keinginan menggunakan teknologi yang tinggi. Sementara itu, bagi persepsi halangan pula, hasil menunjukkan organisasi yang mempunyai halangan pekerja dan pengetahuan yang tinggi mempunyai keinginan untuk menggunakan teknologi yang rendah. Manakala, organisasi yang mempunyai persepsi halangan kewangan dan infrastruktur dan sokongan luaran yang tinggi mempunyai keinginan untuk menggunakan teknologi yang tinggi.

Kajian ini turut mencadangkan organisasi yang mempunyai elemen budaya kumpulan dan rasional yang kuat dalam organisasi mempunyai prestasi syarikat yang tinggi. Kajian ini juga mendapati tahap prestasi mempengaruhi cara organisasi menilai kebaikan dalam penggunaan AMT. Ini menunjukkan lebih tinggi prestasi syarikat lebih tinggi persepsi mereka ke atas kebaikan operasi, pengurusan dan persaingan. Analisis selanjutnya mendapati kesan prestasi syarikat ke atas keinginan menggunakan teknologi adalah lebih tinggi jika syarikat ini mempunyai persepsi kebaikan operasi dan pengurusan.

Kajian ini menunjukkan beberapa implikasi kepada akademik dan praktis. Kajian ini dapat memendekkan jurang yang dikenalpasti dan menambah nilai kepada pengetahuan dalam bidang penggunaan teknologi canggih dan budaya organisasi. Sementara itu, implikasi praktikal mengenalpasti sumbangan ke arah penambahbaikan penggunaan teknologi pengilangan canggih di kalangan IKS.

ACKNOWLEDGEMENT

This dissertation has been a long and difficult task for me. Thanks to Almighty Allah SWT for without His blessing this study would not been complete.

I would like to express my appreciation to Dr. Azmawani Abd Rahman for her willingness to chair the supervising committee and for her kindness, patience, knowledge and support during times of difficulty. I would also like to thank Dr. Murali Sambasivan for his extensive statistical existence and comments through the completion of this dissertation. Next, I would like to express my sincere appreciation to Dr. Serene Ng Siew Imm for her encouragement, comments and motivational support during my study.

I would also like to express my sincere gratitude and affection to my beloved parents for their endless prayers, blessing, support and love during completion of this dissertation. To my brothers and sisters, I thank them for their support and understanding and giving me inspiration to successfully complete this study.

My appreciation also goes to my colleagues: Ardilla Sofian, Noraini Isa, Mastura Yusuf, Siti Naili Nasir, Nur Faizah Mohamad Noor, Khairiah Bahar, Jazihan Mahat, Saira Khairuddin, Saiku M. Bah whom always give me warm and sincere friendship, moral support and encouragement for me to pursue this study. My special thanks are also extended to the staff of Graduate School of Management (GSM), Faculty of Economic and Management (FEP) and all the librarian of Sultan Abdul Samad library.

PUBLICATION

Part of this thesis has been published in the following conference proceeding and won the best paper award for “Advanced Manufacturing Technology Management Track”.

Azmawani Abd Rahman, Murali Sambasivan, Syairah Aimi Shahron, 2010. Understanding Future Adopters of Advanced Manufacturing Technology. Proceedings of Inten and Operations Management (ICTOM), Institut of Teknologi Bandung, Indonesia and College of business, UUM, Langkawi, Malaysia.

I certify that a Thesis Examination Committee has met on **8 April 2011** to conduct the final examination of **Syairah Aimi Shahron** on her thesis entitled “**Influence of organizational culture on organizational performance, perceived obstacles and technology usage intention amongst Small and Medium Enterprises in Malaysia**” in accordance with Universities and University College act 1971 and the Constitution of the Universiti Putra Malaysia [P.U.(A) 106] 15 March 1998. The committee recommends that the student be awarded the **Master of Science**.

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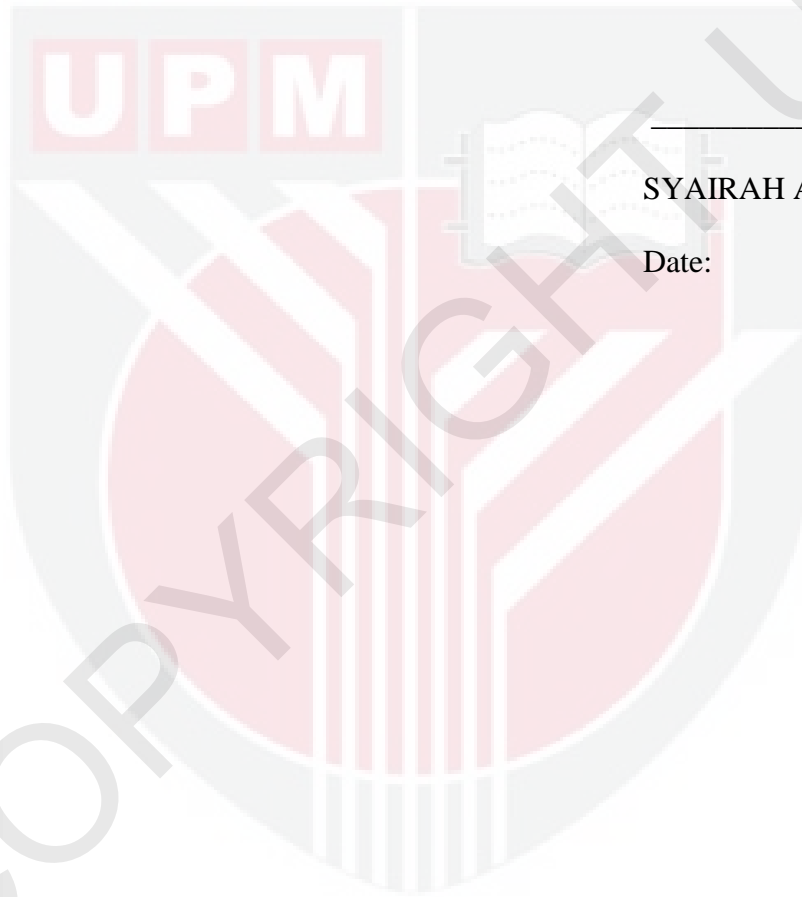
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DECLARATION

I hereby declare that the thesis is based on my original work except for quotations and citations which have been duly acknowledged. I also declare that it has not been previously or concurrently submitted for any other degree at UPM or any other institutions.



SYAIRAH AIMI SHAHRON

Date:

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