THE CHARACTERISTICS OF BUSINESS ORGANIZATION IN ADOPTION OF WEBSITE IN MELAKA

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I declare that this project is the result of my own research except as cited in the references. The research project has not been for any degree and it is not concurrently submitted in the candidature of any other degree.

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DEDICATION

This research is dedicated to my respective parents who have been my constant source of inspiration and drive me to be discipline when doing this task. The respected with all friends, without their caring, support and understanding this project would not have been possible.

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ABSTRACT

Nowadays, in business organizations with the presence of an application of Website might feel pressure to use newer and more advanced technologies such as Twitter and Facebook. However, some of the business organization did not know either their organization is suitable enough to adopt the website or not. According to Hackler and Saxton (2007), there was growing evidence that Internet and Website capacities constitute critical organizational capabilities for the successful strategic use of information technology. To start, size affects the acquisition of new technology (Corder, 2001; Zorn et al., 2011). According to Boynton et al. (1994), the type of managerial knowledge is important to IT implementation. Organizations require employees with particular sets of skills to fulfill the tasks (Dench, 1997).To complete this research, the researcher chose business organization as respondents and used quantitative method where the researcher used survey method by distributing hundreds of questionnaires to the business organization. The researcher used online survey (www.surveymonkey.com) and went to the organization manually. The data collected were analyzed by using Statistical Package for the Social Science (SPSS). Based on the research, the independent variable which gave the most contribution to the adoption of website towards business organization is organization size. This was based on the result from the Multiple Regression Analysis from SPSS.

ABSTRAK

Dewasakini, dengan kewujudan aplikasi laman sesawang dalam organisasi perniagaan memaksa mereka untuk menggunakan teknologi canggih dan terkini. Walaubagaimanapun, beberapa organisasi perniagaan tidak pasti sama ada mereka sesuai atau pun tidak untuk menerima pakai laman sesawang ini. Menurut (Hackler and Saxton, 2007), di sini adalah sebenarnya bukti dimana internet dan laman sesawang merupakan keupayaan organisasi kritikal untuk kegunaan strategik kejayaan teknologi maklumat. Untuk memulakan, saiz organisasi memberi kesan kepada pemerolehan teknologi baru (Corder, 2001;. Zorn et al, 2011). Menurut Boynton et al. (1994) memberi tumpuan kepada jenis pengetahuan pengurusan penting untuk mengadaptasi sesuatu. Organisasi IT memerlukan pekerja dengan kepakaran dan kemahiran tertentu untuk memenuhi tugas-tugas yang diberi (Dench, 1997). Untuk menyempurnakan kajian ini, pengkaji telah memilih organisasi perniagaan sebagai responden dan telah menggunakan kaedah kuantitatif dimana pengkaji telah mengedar seratus borang kaji selidik kepada organisasi perniagaan. Pengkaji menggunakan kajian dalam talian (www.surveymonkey.com) dan pergi ke organisasi perniagaan. Data terkumpul dianalisa dengan menggunakan 'Statistical Package for the Social Science' (SPSS). Berdasarkan hasilkajian, pembolehubah yang dimanipulasi yang paling mempengaruhi kepada penerimaan laman sesawang terhadap organisasi perniagaan ialah saiz organisasi. Ini adalah berpandukan dari hasil 'Multiple Regression Analysis' daripada SPSS.

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LIST OF SYMBOLS

Sig.	=	Significance
N	=	Number of sample
%	=	Percentage
R	=	Correlation coefficient
F	=	F-test
t	=	t-test
β	=	Beta

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CHAPTER 1

INTRODUCTION

1.1 Background of the Study

At the present time, lot of business organizations use network applications to communicate with and engage to the public or customers. It is because of rapid diffusion of information technology system in the world.In playing more level in business field, to win in market place, no matter how small the organization they will try to adapt the cutting edge social network technologies.

One example of social network technology application is website. A website, also known as Web site which is means a set of related web pages served from a single web domain. A website is hosted on at least one web server, accessible via a network such as the Internet or a private local area network through an Internet address known as a Uniform resource locator. All publicly accessible websites collectively constitute the World Wide Web. A webpage is a document, typically written in plain text interspersed with formatting instructions of Hypertext Markup Language (HTML, XHTML). A webpage may incorporate elements from other websites with suitable markup anchors. This application may help their users like business organization to introduce or promote their product or service to public or customers.

Given the situation of globalization and growing competition in the market place, business organization need to use information technology (IT) wisely and think out of the box to win in the market place. However, not all business organization implement this strategic in their marketing strategy may be because of the characteristics of business organization itself. Characteristics of business organization have been dependably identified as main determinants of organizational adoption of information and communication technology (website). The present study proposes and tests a model explaining the characteristics of business organization in adaption of website in Melaka. This study is using a survey of senior executives of business organization in Melaka. The result reveals that characteristics of organizational are a major determining of organizational in adaption of website.

1.2   Research Question

After an explanation of the relationship between characteristics of business organization and website adoption, the researcher will clarify between understanding of the characteristics of business organization and website adoption.

This will allow to the first research question in which the researcher want to determine the relationship between organization size of business organization and adoption of website. Is organization size of business organization plays an important role in adoption of website? In this research question the researcher only focus on three dimensions which are number of staff, sales volume and net assets.

In the second research question, the researcher wants to identify the relationship between employer support from business organization and adoption of website. Is employer support from business organization gives positive role in adoption of website? For this research question, employer awareness, strategic management in information technology (IT) and employer behavior are the researcher dimensions.

For the third research question is the researcher want to determine the relationship between skills of employee and adoption of website in business organization. Are skills of employee of business organization plays an important role in adoption of website? There are some dimensions in this characteristic which are employee expertise or employer experience, employee academic background and employee interest toward information technology (IT).

1.3 Research Objective

Throughout this study, the research objectives are:
1. To determine either organizations size of business organization in Melaka plays an important role in adoption of website or not.
2. To identify either employer support from business organization in Melaka gives positive role in adoption of website or not.
3. To determineeither skills of employee of business organization in Melaka shows the positive role in adoption of website or not.

1.4 Scope

The limitations of this research are based on the corresponding aspects:-
1. The study is limited only on business organizations. The possible outcomes of the research may not valid for other type of organizations due to in the differences of the function of organization. For example, the function of business organization is totally difference with education organization and nonprofit organization. So, the characteristic of the adoption of website between the organizations may different.

2. For the business organizations is only concentrate on production industries like food industry, mobile industry or automobile industry.Hence, this research is not including for service industry like hotel.

3. The information technology (IT) is only focus on website. The results obtained may deviate from other type of IT such as Facebook, Twitter or Blog. It is because, the application for these IT are difference. Types of user for each IT also different. Usually the users of Facebook and Twitter are come from teenager

and just for social life while website is for organizations which have its own functions or benefits.

4. The location of this study is limited on Melaka state. As such, other state or country are not being concerned and not involved in the interpretation data. The researcher only focuses on Melaka state because the researcher studies around here. It is easy for the researcher to do the research likes distribute the questionnaire. Besides, the researcher only has about nine months to complete the research. For sure, the researcher did not enough time to complete the research if the researcher goes too many states.

1.5   Importance of this Study

The researcher hopes that the research will help the business organization to get insights on the relations between the characteristics of business organization and the adoption of website. The researcher want them to take into consideration the organization size, manager support and employee skills in adoption of website in order to obtain a sustainable competitive advantage in the long run in the market place. The researcher would like to aid the business organizations to take the good decision when they want to have their own business website.

In addition, the purpose of this study is also to become expert in this research area. The researcher aims to increase the skills and knowledge on the subject. The researcher wants to find meaningful conclusions that could interest professionals or entrepreneurs on the information technology (IT).

1.6   Summary

Based on this Chapter 1, the researcher can summarize that characteristics of business organization are play in positive role for the adoption of website. However, there is still having company that not applies this information technology in their organization.Hence, there are some characteristics of business organization that the researcher has identified in adoption of website. The characteristics that the researcher want to research are organization size, employer support and employee skills.

Hence, for the research, the researcher want to determine either organization size, employer support and employee skills give positives role in adoption of website for business organizations. The researcher will do this research at business organizations in Melaka, Malaysia. This research will take about nine months to complete.

The researcher do this research because want to help the business organization to identify their characteristics that affect to them to implement the website in their company.

CHAPTER 2

LITERATURE REVIEW

2.1   Information Technology

According to Forouzan, B. A. (2007), the internet has revolutionized many aspects of our daily lives. It shows that, internet has affected the way of business organization in doing the business as well as the way they communicate to their customers. The study before this was identified that the characteristics of organization itself is one of the factor in determinants of organizational information technology (IT). Numerous studies have identified many factors that are possible determinants of organizational adoption of information technology (IT) (Chwelos*et al.,* 2001).

Information technology like website should help to reflect the quality efforts made by the organization, because it creates an important connection with customers or publics. Modern websites show a significant range of aspects, complexity of structure and diversity of offered services (Kappel et al., 2006). As in all information systems, website evaluation is an important development and operational factor that may lead to the improvement of their users" satisfaction (Grigoroudis et al., 2008) and to the optimization of invested resources (Cheung and Lee, 2008).These means that, by implement a website in a business organization they can get customer satisfaction and also fulfill their needs and wants.

As we know, information technology like social media applications hasproduced new ways for organizations to communicate or interact with the public. Twitter and Facebook in particular have garnered attention from business organizations as innovative communicative tools that both supplement and supplant the traditional Website (Nonprofit Technology Network, 2011). However, some organizations are failed in adaption of this information technology. It is not only due to the characteristics of organization itself but also the lack of organizational level research on information technology adoption. The understanding of why adopt such technologies is sparse not only due to the unique qualities of organizations (Lewis, 2005) but also the lack of organizational-level research on social media adoption. Even though the presences of organizational characteristics are important determinants of organizational IT adoption, the characteristics are not specified. The purpose of this study is to determine some of specific characteristics of business organization in Melaka in adoption of IT (website).

With the increasing number of websites and considerable investment in them, website quality evaluation has become an important activity (Naik and Tripathy, 2008). So, the organizations need to spend time and money to develop and maintain their website‟s quality as these websites can give effective communicationchannel and provide information between organizations and their customers.