

READINESS OF SMEs IN USAGE OF
LINKEDIN

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This report submitted in fulfilment of the requirements for the Bachelor Degree of
Technopreneurship (BTEC)

Faculty of Technology Management and Technopreneurship (FPTT)

Universiti Teknikal Malaysia Melaka

DECEMBER, 2019

DECLARATION

"I acknowledge the work of this research is my own work except for the summaries and excerpts that I have described each of the sources"

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DEDICATION

First of all, I would like to thank you to my beloved family especially my mother Mrs. Hasiah binti Awang Noh who had always give motivation and encouraged me with good advices in order to complete my final year project. I am sincerely would like to thank her for willing spent money to complete my final year project. I am felt proud to complete my final year project by fully support and encourage by beloved mother and family.

ACKNOWLEDGEMENT

First of all, I am grateful to Allah SWT for successfully completing the final year project successfully.

Secondly, I would like to express my sincere gratitude and appreciation to my supervisor and lecturer, Miss Atikah Saadah binti Selamat for his great guidance, help, concern and comments during the development of this project. Her encouragement and advice for this project helped the researcher completing this Final Year Project successfully.

Finally, I would like to thank you to all those who involved directly or indirectly to make my project successful. My sincerely thank you to my friends, Siti Zalrabi'atul Adawiah binti Samsi Tabaris, NorFarhana binti Musa, Nor Ashikah binti Mat Ghazi and for all the encouragements that they gave to me to complete this research. Thank you very much.

ABSTRACT

The purpose of this research is to investigate the readiness of SMEs in usage of LinkedIn in Malacca, Malaysia. There are dearth of researches about the relationship between readiness and usage of LinkedIn. SMEs less awareness about the importance of social media marketing that can help them in future. SMEs failure to understand social media marketing because lack of resources. There is also lack of research into the benefits of social media for SMEs that has consequences for understanding its adoption and use in an environment that is well known for its cautious and often haggardly adoption of IT. This research conducted to identify the indicators in usage of LinkedIn among SMEs, to examine the readiness that effecting in usage of LinkedIn among SMEs and to propose the suggestion for improve the use of social media among SMEs. The researcher will use the quantitative method to collect data by distributing questionnaires to 153 respondents in SMEs in Malacca. The significance of the research about the importance of LinkedIn usage to the SMEs because LinkedIn is designed specifically for professional networking and job hunting, which is why it potential to promote a business is often overlooked and also gives more knowledge in LinkedIn usage for SMEs to growth their business and manages their business so that their business can sustain. The findings of this research are technology readiness, organizational readiness and attitudes readiness is having effect on the usage of LinkedIn. Based on this research, it can be concluded that organizational is the most effect on the usage of LinkedIn of SMEs.

Keywords: technology readiness, organizational readiness, attitudes readiness, usage of readiness, SMEs entrepreneur

ABSTRAK

Tujuan penyelidikan ini adalah untuk menyiasat kesediaan IKS dalam penggunaan LinkedIn di Melaka, Malaysia. Terdapat sedikit kajian tentang hubungan antara kesediaan dan penggunaan LinkedIn. IKS kurang kesedaran tentang pentingnya pemasaran media sosial yang dapat membantu mereka pada masa akan datang. Kegagalan IKS untuk memahami pemasaran media sosial kerana kekurangan sumber. Terdapat juga kekurangan penyelidikan ke atas faedah media sosial untuk IKS yang mempunyai akibat untuk memahami penggunaan dan penggunaannya dalam persekitaran yang terkenal dengan penggunaan IT yang berhati-hati dan kerap. Kajian ini dijalankan untuk mengenalpasti indikator dalam penggunaan LinkedIn dikalangan IKS, untuk menjawab kesediaan yang memberi kesan dalam penggunaan LinkedIn dan untuk mencadangkan cadangan untuk meningkatkan penggunaan social media dikalangan IKS. Penyelidik akan menggunakan kaedah kuantitatif untuk mengumpul data dengan menyebarkan soal selidik kepada 153 responden dalam IKS di Melaka. Kepentingan penyelidikan ini tentang penggunaan LinkedIn kepada IKS kerana LinkedIn direka khusus untuk rangkaian profesional dan memburu pekerjaan, sebab itu potensi untuk mempromosikan perniagaan sering diabaikan dan juga memberi lebih banyak pengetahuan tentang penggunaan LinkedIn untuk IKS untuk pertumbuhan perniagaan mereka dan menguruskan perniagaan mereka supaya perniagaan mereka dapat bertahan. Penemuan kajian ini adalah kesediaan teknologi, kesediaan organisasi dan kesediaan sikap berpengaruh terhadap penggunaan LinkedIn. Berdasarkan kajian ini, dapat disimpulkan bahawa organisasi adalah yang paling berpengaruh terhadap penggunaan LinkedIn IKS.

Kata Kunci: kesediaan teknologi, kesediaan organisasi, kesediaan sikap berpengaruh terhadap penggunaan, Usahawan IKS

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LIST OF ABBREVIATION

SMEs	Small and Medium Enterprises
DOSM	Department of Statistics Malaysia
e-WOM	Electronic Word Exchange
e.g	Example
B2B	Business-to-Business
B2C	Business-to-Consumers
CTR	Click through rates
SM	Social Media
SMM	Social Media Marketing
et.al	and other
TR	Technology Readiness
SST	Self-Service Technology
SPSS	Statistical Package of the Social Science
HR	Human Resources
CEO	Chief Executive officer
COO	Chief Operation Officer
SRP	Sijil Rendah Pelajaran
PMR	Penilaian Menengah Rendah
PT3	Pentaksiran Tingkatan 3
SPM	Sijil Pelajaran Malaysia
STPM	Sijil Tinggi Persekolahan Malaysia

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CHAPTER 1

INTRODUCTION

1.1 Overview

The first chapter discuss regarding the introduction about the overall research conduct. This chapter includes the background of study, problem statement of the research, research objective, research question that related to the research, scope and limitations of research and the significance of this study. The purpose of this research is to investigate the readiness and Usage of LinkedIn.

1.2 Background of Study

Small and medium enterprises (SMEs) or small and medium enterprises (SMBs) are businesses whose number of employees is below a certain limit. According to Taiwo et al, 2012, SMEs conduce substantially for financial development and growth of a nation. SMEs face a huge challenge different from those faced by big companies (Casson, 2005; Neupert et al., 2006; Vaaland and Heide, 2007). Small and medium enterprises (SMEs) play an important role in the economic growth, social improvement and political strength of each nation. SMEs

are various. SMEs can be set up for any business activity in city or country areas. SMEs also be facing great and more pressing demand to prove, maintain and increase business (entrepreneurial) chances and do so in a short time ratio (Bluedorn and Martin, 2008).

SMEs in Malaysia are have an annual sales turnover and total number of fulltime (Hashim and Abdullah, 2000, SEMCORP, 2008). According to Hashim (2000), general business, manufacturing and agriculture are the main sectors that SMEs in Malaysia have. SMEs in Malaysia for the business establishments which is 98.5% and service sector is the highest one that is 89.2% or 809, 126 SMEs and women-owned leads to 20.6% of SMEs. Figure 1.1 shows the statistic of SMEs in Malaysia by state.

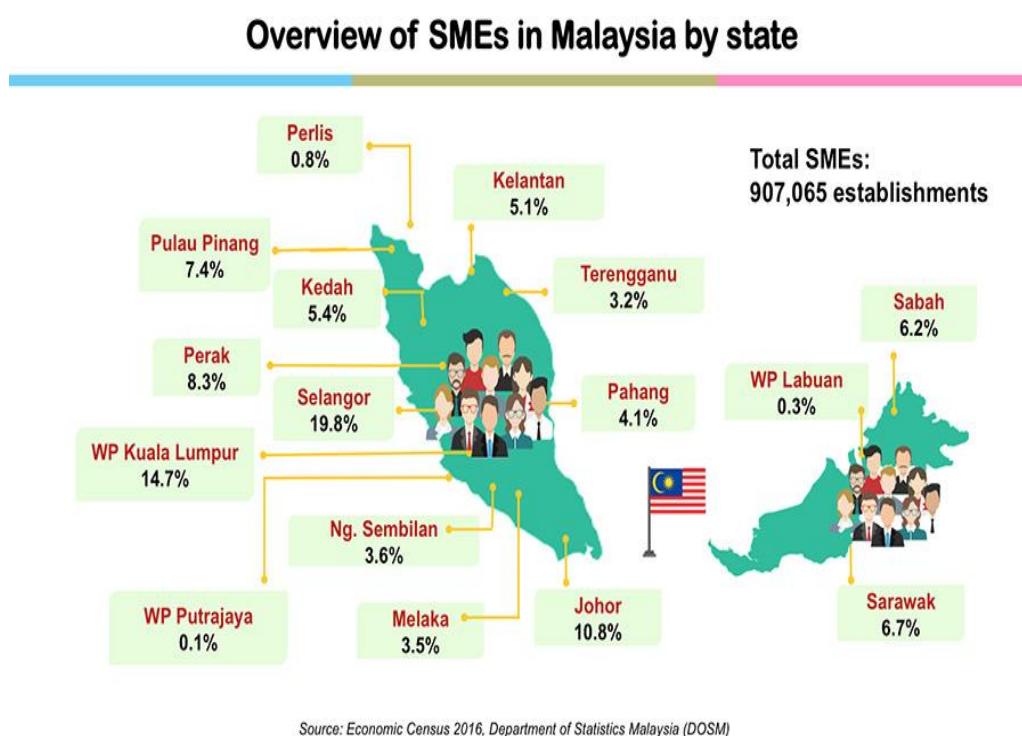


Figure 1.1: The distribution of SMEs in Malaysia by state
(Source: Economic Census 2016, Department of Statistics Malaysia
(DOSM))

Social media is digital content and interactions generate with another person. Social media is a change in how we obtain our information. Now we get information, 24/7 and quickly, from anywhere. Social media is distant from the grind breakage.

However, Web 2.0 and User Generated Content concepts can related to appear among director and academic researchers to be disruption for similar what must be embrace under word and how the seemingly-interchangeable can dissent with social media. It consequently construct appreciation to require a move reverse and allow to where social media come from and what they involve for intuition concerning (Kaplan & Haenlein, 2009).

In social media marketing, LinkedIn is a social network where most expert and company attach. It is a social capacity but in a more expert feeling. Frequently task occasion be attempt and backed up now. Of course, the space is important when making attachment as a work and a professional brand. The profile owner which is personal identity can apply in their form in LinkedIn. Facebook and LinkedIn are the social networking website that has growth over the last decade rapidly. Overall, company in US which is 92% expend social networking sites to create pre-screen relevance for worker intentions (Jobvite, 2012). LinkedIn is a network of expert.

In current years, it has become very favoured with about 200 million customers universal (Newman, 2013). Just like Facebook, LinkedIn recognize users to establish an online profile, establish a web of attachment and immediately connect with their reach (Ryan and Jones, 2009). To provide entirely to expert, it enables users to explore for employ chance, search companies and industries, include summarize detail in their profiles and allow or obtain advice (Bradley, 2011; Buck, 2012).

1.3 Problem Statement

Social media marketing is a powerful method to get vulnerability and make attachment among other businesses and expert in your industry. LinkedIn is the one of the important platform that can give benefits to the SMEs. But, now SMEs less awareness about the importance of social media marketing that can help them in future. According to Taiminen, H. and Karjaluoto, H. (2015) research related to the process of adopting new technologies in SMEs has been extensively covered but knowledge of how SMEs use digital channels in their marketing requires deeper knowledge. LinkedIn can be a misleading platform as a business, mainly when it comes to experience how to apply it for your business's success. LinkedIn is the platform that SMEs do not realize the existence of LinkedIn.

SMEs failure to understand social media marketing because lack of resources. Compete a successful social media campaign is a full-time job. It require time, cash, and a mass of creativity. So that SMEs not have enough time to manage and learn about social media that have the importance part. Social media for SMEs have a lack of research into the benefits that has importance for comprehension its adoption and use in a surrounding that is well known for its careful and much haggardly adoption of IT (Poon & Swatman, 2013). Technology is now a lot of rivals like Facebook, Instagram, and Twitter causing LinkedIn sinks and SMEs less know about the LinkedIn.

Earlier year 2018 describe LinkedIn user (2.75M) consists of 9% of our population which Malaysia, Indonesia and Philippines are the top 3 of Southeast Asia nation in their appearance. In Malaysia there are 4.4M LinkedIn users. Based on the problem statement above, the aim of this study is to conduct ready or not SMEs to use LinkedIn and what are the most benefits that SMEs can get from use the LinkedIn.

1.4 Research Objectives

The overall purpose of this research is to identify the readiness of SMEs in usage of LinkedIn. The most readiness of SMEs in usage of LinkedIn can be identified with focus on the objective. The research objectives in this research are:

- 1.4.1 To identify the indicators in Usage of LinkedIn among SMEs.
- 1.4.2 To examine the readiness that effecting in Usage of LinkedIn among SMEs.
- 1.4.3 To propose suggestion for improve the use of social media among SMEs.

1.5 Research Questions

The research questions are posed to obtain the relevant information required to fulfil the objectives. The proposed questions to be answered in this research are as follow:

- 1.5.1 What the indicators in Usage of LinkedIn among SMEs?
- 1.5.2 What the readiness that effecting in Usage of LinkedIn among SMEs?
- 1.5.3 What suggestion can be proposed to improve the use of social media among SMEs?

1.6 Scope and Limitations of Research

This research was conducted to identify the readiness of SMEs in usage of LinkedIn. It was studies on the SMEs that have choice in Malacca. This survey was choosing from the numbers of company at the place by using Krejcie and Morgan table. Besides that, the other scope of study in this research also wants to suggest guideline on how to SMEs manage the LinkedIn. This research will be conducted in Malacca, Malaysia. Even through the title of research conducted in Malaysia, this research will be more focus conducted in Malacca. This is because there still quite less researches about readiness of SMEs in usage of LinkedIn among SMEs in Malacca.

1.7 Significance of the study

The significance of the study about the importance of LinkedIn usage to the SMEs because LinkedIn is designed specifically for professional networking and job hunting, which is why it potential to promote a business is often overlooked. Furthermore, this study also gives more knowledge usage of LinkedIn for SMEs to growth their business and manages their business so that their business can sustain. This study is to determine the relationship between variables that readiness and usage of LinkedIn among SMEs in Malacca. Understand the variables such as technology readiness, organizational readiness and attitude readiness will help to better understand how these variables affect the usage of LinkedIn. Social media marketing is the important to SMEs because social platforms relief SMEs attach with customer, growth recognition about your brand, and improve your contributed and selling.

1.8 Summary

In view of the study above, social media marketing is very important to the SMEs. This chapter describe about the background of study, problem statements, research objectives, research questions, scope and limitations of research and the significance of the study. Based on this research topic, readiness of SMEs in usage of LinkedIn will be made for. This research will conduct in Malacca, Malaysia and the respondents were the SMEs in Malacca.