

**UNIVERSITI TEKNOLOGI MARA**

**FACTORS INFLUENCING ICT  
ADOPTION IN MANUFACTURING  
ORGANIZATIONS IN SELANGOR,  
MALAYSIA**

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Thesis submitted in fulfillment  
of the requirement for the degree of  
**Master of Science**

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## AUTHOR'S DECLARATION

I declare that work in this dissertation was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the results of my own work, unless otherwise indicated or acknowledged as referenced work. This topic has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have supplied with the Academic Rules and Regulations for Post Graduate, Universiti Teknologi MARA, regulating the conduct of my study and research.

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## ABSTRACT

The purpose of this study is to identify factors that influence manufacturing organizations in Selangor to adopt ICT by examining the relationship between independent variables and dependent variable. The independent variables used in this study were organizational structure, organizational size, supply chain members' pressure, industry sector and international market while the dependent variable was organization's performance. In this study, researcher has captured problems faced by manufacturers in adopting ICT. Organizations have concern on financial resources as adoption of ICT involves larger financial resources. Researcher examines the influence of each variable towards organization's performance. This study demonstrates the relationship between independent variables and dependant variable and how far these variables influence the organization's performance. The research is based on interviews and questionnaires. Disproportionate random sampling has been chosen in selecting samples. The researcher indicates organizational size, industry sector and international market were confirmed to influence adoption of ICT which affect organizational performance whilst organizational structure and supply chain members' pressure were found to have negative relationship with the performance of organization. Due to that, it is recommended that Malaysia to have holistic innovation policy that emphasizes ICT as strategic driver and it is suggested that organizations to identify network that they operate with since it influences the decision to adopt ICT. The findings provide useful insight into this area but further research is required to identify other factors that influence ICT adoption such as lack of integration of ICT and compatibility of ICT systems.

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