



**THE LEVEL OF COMMITMENT AMONG INTERMEDIARIES TO
SMEs: CASE STUDY OF SMEs AT TUARAN, SABAH**

**DR. FADIZIAHWATI BT PG. OTHMAN
2010145429**

**BACHELOR OF BUSINESS ADMINISTRATION
WITH HONOURS (MARKETING)
FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA (UiTM)
KOTA KINABALU, SABAH**

JUNE 2013

ACKNOWLEDGEMENT

I am specifically delighted to mention the following my family and friends who have patiently endured the challenging times and borne with all the times we have gone through together, with a constant cheer; all of you have always encouraged me greatly. Participating respondents, who always warmly welcomed me and made my interviews very fruitful.

My special thanks also go to my advisor, Sir Franklin Hazley Lai for their encouragement, patience, good will and professional guidance. I would also like to thank, my classmates and my lecturers at the University, who have been a source of continuous encouragement and growth.

I am also indebted to all the people whose guidance made this study a success. I would like to thank them here as I will not be able to mention all of them by name. Their contributions will always be in my memory. May all of you out there consider this to be a token of my appreciation to you all.

CONTENTS	PAGE
LETTER OF TRANSMITTAL	i
DECLARATION OF ORIGINAL WORK	ii
ACKNOWLEDGEMENT	iii
CONTENTS	iv
LIST OF TABLES	vii
LIST OF FIGURES	viii
ABSTRACT	ix
CHAPTERS	
1.0 INTRODUCTION	1
1.1. Background Of Study	2
1.2. Problems Statement	5
1.3. Research Objectives	6
1.4. Research Questions	6
2.0 LITERATURE REVIEW	7
2.1. Small and Medium Enterprises (SMEs)	8
2.2. Role of intermediaries to the SMEs of small enterprise	11
2.3. Relationship of small enterprise and intermediaries	13
2.4. Factor to successful the SMEs of small enterprise by intermediaries in local product	15
2.5 Impact of intermediaries to SMES of small enterprise in future development	22
2.6 Theoretical framework	24

3.0 RESEARCH METHODOLOGY	25
3.1. Research design	26
3.2. Sampling design	26
3.2.1 Population	26
3.2.2 Sample size	26
3.2.3 Sampling technique	28
3.3. Data collection	29
3.3.1 Questionnaires	29
3.3.2 Observation	29
3.4. Primary Data	30
3.5. Secondary Data	30
3.6. Data analysis technique	31
3.6.1 Descriptive analysis	31
3.6.2 Mean analysis	31
3.6.3 Linear Regression Analysis	31
3.7. Validity and trustworthy of data	32
4.0 FINDING ANND ANALYSIS	33
4.1. Descriptive analysis	34
4.2. Mean analysis	38
4.3. Linear Regression analysis	39
5.0 CONCLUSION AND RECOMMENDATION	41
5.1. Discussion and conclusion	42
5.2. Limitation	46
5.3. Recommendation	47

ABSTRACT

Small and Medium enterprise (SMEs) is one industry to growth up in activity development. The government and others agencies have been support the SMEs development activity to growth up in the market. There are three types development in growing industry which is the manufacture, services and agriculture industry. The purpose of the study was to examine the level of commitment among intermediaries to SMEs of small enterprise particularly in local products in the market. The study undertook a cross sectional survey design with a population of 138 respondents. Self-administered questionnaires were used to collect responses. Measurements of the relationships of the study are information sharing, resources sharing and risk sharing was done and subjected to rigorous data processing and analysis using the relevant statistical computer software packages. Findings indicated that there were both positive and negative significant relationships between information sharing, resources sharing and risk sharing. Results from regression analysis showed three variables are information sharing, resource sharing and risk sharing were significant predictors of the relationship. The study recommends therefore, that since the model could only explain 42.7% in variance of the relationship in the level of commitment among intermediaries to SMEs of small enterprise at Tuaran, To study the role of intermediaries in information sharing , resources sharing and risk sharing are longitudinal study is more appropriated.