

THE INFLUENCE OF SMALL AND MEDIUM E-BUSINESS ORGANIZATION ON THE ECONOMY OF MALAYSIA

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Abstract---The chief point of this examination is to explore the effect of little and medium endeavor e-business enterprise on Malaysian economy. The data had been collected from within Malaysia. A total of 200 questionnaire forms were distributed to SMEs entrepreneurs in Malaysia, where the target location was within the Klang Valley. In order to collect data in a better way, the questionnaire was sent out by mail, respondents were interviewed and a group of people identified at the specific location. All the data was processed by using SPSS and E-View. The purpose of this data analysis was to identify characteristics of the targeted 200 sample size. Moreover, it was an aim to improve the level of decision making from the data by acquired knowledge and making it comprehensible. Future studies should increase the sample size and conduct qualitative case studies, to improve the generalization of the research findings.

Keywords---E-Business, Entrepreneurship, Economy, Malaysia, SMEs, SPSS, E-View

I. Introduction

The examination will disclose the foundation to the effect of little and medium e-business enterprises on the Malaysian economy. The acceptance of the concept of e-business is growing among business, government and, public and private organizations'. This is because; e-business can help transform traditional businesses and dramatically improve the communication and strong relationship between buyer and seller. The benefit that can be obtained from e-business, where there is exchange and access to information worldwide, enhance the quality of products and services as a result of greater competition among business. Moreover, e-business gives greater opportunity to improve production in terms of mass personalized and customized products and services. E-business is the new product of 20th Century business, with fast moving introduction of new products and services with greater efficiency and effectiveness (Rosli, 2012; Nguyen et al., 2019; Nikhashemi et al., 2013; Pathiratne et al., 2018; Seneviratne et al., 2019; Tarofder et al., 2019). Web innovation build up an expanded connection between business-to-client and business-to-business..E-business offers organizations on a very basic level better approaches to grow the business sectors in which they contend chances to streamline their corporate business procedure to convey item and administration all the more proficiently, and new inventive channels to draw and hold client (Apulu & Latham, 2011). Amazon.com currently is astounding instances of the B2Cclass demonstrated in class 1.Amazon have prevailing by creating an effective buyer item conveyance framework. The incentive right now channel is the joining of numerous backstreet vendors under the standard of one well known brand name. A case of B2C class is e Bay which made another market direct in setting up an online sale office .Dell.com is a case of the third B2C e-business class.dell.com is fruitful on grounds that it joins the standard of disintermediation, or the capacity to dispense with mediators from the worth chain (Eikebrokk & Olsen, 2007). The impacts of e-business technologies gain a positive response by participating entrepreneurs. Implementation of e-business has produced small e-entrepreneurs involved in several sectors. There is an

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argument where some entrepreneurs prefer using traditional business organization and other groups found that e-business is a good place to make greater profits. E-business has made new choices for people and establishment, offering them more alternatives than any other time in recent memory in terms of comfort, choice and cost (Wachira, 2014). The highest participation in e-business is from the small entrepreneur. E-business gives large opportunities for small entrepreneurs to move further, create brand recognition, low costs, and quick entry to markets; only requiring small start-up capital, whilst giving high returns. Today with internet technology, you can establish a relationship with customers worldwide who prefer to choose online shopping, as it is more accurate, convenient and saves time. Why? It appears clients would used to be hesitant to attempt web based shopping –found another degree of accommodation, speed, choice and security from requesting on the web. The new small entrepreneurs began to train themselves in the new world of the e-business platform; they discovered that their business could go beyond the future whilst promising great opportunities. In Malaysia e-business appropriation for Miniaturized and Little Medium Ventures (Srivastava & Teo, 2010).

Malaysia has just started venturing into the field of e-business by exploring the benefits and barriers of internet technology. As we know, almost 70% of businesses could save costs in terms of operations and advertising. Various organizations have been set up in Malaysia and around ten thousand sites exist inside Malaysia, yet just an expected 30 % are fit for giving web based shopping offices to Malaysia customers (Chiliya, Chikandiwa, & Bola Afolabi PhD, 2011). E business comes to past online trade to incorporate center business procedures for example back office inventory network the executives and client relationship with the board (Papageorgiou & Tringides, 2006).

All things considered in 2006, shoppers burned through £30.2bn on online merchandise and ventures, as indicated by IMRG, the industry body for worldwide e-retailing. In the course of recent years, the development of the web has brought about the prominent accomplishments of numerous web related organizations. The web has positively changed the manner in which we live our lives, and offers as spot where people can rival worldwide associations. While there are 17.5 million Malaysian web clients scanning routinely for items and administrations, there are just somewhat more than 100,000 out of 700,000 SMEs working in Malaysia today with an online nearness,” it is assessed that Malaysians burned through RM1.8bil in 2014,” he said. GMBO is an activity between Google, Malaysian correspondences and slight and sound commission. My space Vault and I Train (Jones, Beynon-Davies, & Muir, 2003).

When all is said in done, Discount and retail exchange, found and protection, business administrations and correspondence exercise were the significant supporters of the states’ economy. Small organizations are in a one of a kind situation to make important client encounters. Their items and administrations are regularly specialty; the objective client is quite characterized; and business tasks are deft and unconstrained by corporate guidelines and procedures (Janita & Chong, 2013). The internet exposes your small business to a worldwide audience, allowing you to collect prospective leads, tap new markets, find cheaper vendors and gather new ideas about your industry. By shipping your products or delivering services remotely, you can service new customers from around the world. Partnering with a complementary business exposes you to a new customer base and allows you to share marketing and promotional expenses (Johnston, Wade, & McClean, 2007). Enhancing is a superb system for development, since it permits you to have different floods of salary that can regularly fill occasional voids and, obviously, increment deals and overall revenues. Here are a couple of the most widely recognized approaches to enhance: sell corresponding items or administrations, show grown-up training or different kinds of classes, import or others’ items and become a paid speaker or feature writer (Raymond & Bergeron, 2008). Moving online business doesn’t need to be an exhausting procedure, to set up an online business, business visionaries ought to apply their enthusiasm and positive intuition to their key regions: the arranging procedure: everything a business visionary has to know, consider and choose before beginning an internet business webpage; building up an advertising system: deciding how to get the word

out and how to keep up great associations with clients; understanding innovation needs: the stunts and instruments that cause everything to occur (Soto-Acosta, Popa, & Palacios-Marqués, 2016).

II. Literature Review

So as to accomplish huge numbers of these activities and objectives, numerous e-organizations have needed to discover imaginative approaches to expand levels of productivity, lower costs, and improve innovative procedures all through their whole association. As originators web adventures endeavor to satisfy the chances and needs of this new economy, a lot of pioneering directions and practices will rise that can start to portray the nature and procedure of web based business adventures (Lee, Ribeiro, Olson, & Roig, 2007). E-organizing are run and worked over the web. They are an extremely well known plan of action far and wide gratitude to their low overhead expenses and simple showcasing rehearses. E-organizations can offer just to purchasers who approach a PC and a credit or platinum card account (Chong, Ooi, Bao, & Lin, 2014). The essential affecting components on little and medium e- business enterprises that sways on the Malaysian economy. A theoretical framework is hereby constructed. It aims at providing a theoretical basis for establishing a link between the economic theorization and the empirical work as contained in this study. (Lucking-Reiley & Spulber, 2001) recommended that around the globe, developing quantities of individuals understand their fantasies about owning and working their own organizations. Little and medium e-business enterprises are the new economy that is reshaping the business condition and making a worldwide economy. A business person is one who makes another business despite hazard and vulnerability to accomplish benefit and development by distinguishing critical chances and gathering the essential assets to profit by them. Vital administration can build a little and medium organization's adequacy, yet a business person should initially have a procedure intended to address their issues and business' uncommon attributes. Key administration includes building up an approach to control an organization as it endeavors to achieve its vision, crucial, and destinations and to shield it from wandering off base (Lucking-Reiley & Spulber, 2001). The chief advantage of vital administration is to assist associations with figuring better methodologies using an increasingly precise, consistent, and sane way to deal with vital decision. Little and medium organizations need a vital arranging process intended to suit their specific needs it ought to be moderately short, casual, and not organized, support the interest of representatives, and not start with broad target setting. (Lucking-Reiley & Spulber, 2001) recommended that a little and medium organization's estimating methodology is a significant determinant to its picture in the commercial center, is impacted by the evaluating systems of its rivals, and it is a significant component in the worth that clients see its items or administrators give. Cost rivalry strengthens with expanding the quantity of contenders subbing offers, more extensive circulation and expanding surplus limit (Damaskopoulos & Evgeniou, 2003). A business' person will probably situate the organization's costs inside this adequate value run. Dynamic valuing permits both on the web and customary organizations to set the costs of merchandise and enterprises for various clients dependent on clients' capacity and ability to pay (Lucking-Reiley & Spulber, 2001). Business people have exploited the web to make new administrations.

Four advancements exceptionally compelling are improvement of "savvy" cell phones and wifi rapid web innovation. It requires high capital set-up costs and nobody can be certain whether the speculation will prompt long haul benefits and high development. Sites are getting progressively advanced, yet additionally more clients agreeable. Independently or in mixes, electronic channels offer a supplement or option in contrast to conventional physical channels for conveying data base administrations (Lucking-Reiley & Spulber, 2001). Individuals currently invest more energy online than any other time in recent memory. Be that as it may, changing over these internet surfers into online clients requires a business to accomplish more than simply set up a site and trust that that the hits will begin coming in. building adequate volume for a site takes vitality, time, cash, inventiveness and generally significant, an all around characterized showcasing and limited time

methodology. To be fruitful, both disconnected and online organizations require strong arranging and a very much defined technique that underscores client care. The main pattern affecting on the web business is interpersonal interaction. These internet selling procedures perceive that customers, ' particularly youthful ones, hope to play a proactive job in shopping experience by composing an item survey, posing inquiries, posting remarks and participating in intelligent conduct (Lucking-Reiley & Spulber, 2001). (Ifinedo, 2011) expressed that web advertising has made chance to take an interest in the online worldwide commercial center, particularly for little and medium ventures. Right now, subordinate variable is web showcasing; the investigation involves three autonomous factors; (1) preparation about web advertising, (2) advantages and disadvantages of the e-promoting approach and (3) grouping of item and administrations sold on the web.

This examination dissected the information of bombed e-posteriors; the outcomes appeared in the investigation helper the comprehension of potential advantages of internet advertising draws near and recognized variables that sway the lead of web based showcasing ideas. The empirical research knowledge of this research, that the introduction of internet marketing channels is an effective marketing strategy that assists small and medium enterprises with the successful launch of new products and services in an online global marketplace (Adekunle & Tella, 2008). (Kapurubandara & Lawson, 2006) shown how e-business impacted the store network the board by reference to past patterns, current activities and future methods. He found that expectation to utilize inventory network the executive being the reliant variable, the examination involves three autonomous factors; (1) the chain response of e-SCM framework, (2) the challenges of building an e-SCM framework, and (3) the messed up production network by web innovations. Right now utilized a contextual analysis technique. The outcomes demonstrated association of e-business in store network the board assisted with building up a progressively basic association and increment quality, work and keep up data frameworks and have the option to adequately oversee stock as indicated by organic market advertise patterns. Therefore, contribution of supply chain management will make the process easier and effective and help organizations in monitoring and planning inventory management.

(DeBerry-Spence, Dadzie, Saffu, Walker, & Hinson, 2008) concluded that implementation in supply chain integration provides a greater impact to the framework of e-businesses as an enhancement in globalization of production and sales, and the advancement of enabling information technologies. They found that e-business supply chain integration as being a dependent variable and the study consisted of three independent variables: (1) business-to-business cooperation, (2) e-service aggregation, and (3) dynamic re-configuration of business roles. This examination broke down the writing survey; subsequently indicated that the mix of the inventory network helped the improvement of e-business; including data sharing, multi-party cooperation, plan for production network the board, deferment for mass customization, redistributing and associations, and expanded or joint execution measures. Therefore, study provided some empirical research knowledge for supply chain integration towards Malaysian small and medium e-business entrepreneurships. (Ramsey, Ibbotson, Bell, & Gray, 2003) stated that the innovation of product development lead to the high contribution of SMEs in Malaysia; additional knowledge and technology involved competitive advantage by offering high quality and services at competitive prices. From this study, the dependent variable is Malaysian SMEs, while the four independent variables are (1) nature and contribution of the Malaysian SMEs; (2) entrepreneur's success factors; (3) strategies and challenges for Malaysian SMEs; and (4) SMEs programs. The method used case study examples of successful Malaysian SMEs. The results showed that with support from the government through the programs introduced, such as The Malaysia plan and Initiative, many successful SMEs entrepreneurs have been produced in Malaysia's economic development, increasing the standards of the country, whilst they compete among the competitive international standards.

Thus, many obstacles have to be faced with the government's policy that was introduced in order to create a competitive advantage to compete among SMEs in the global markets. (Olatokun & Bankole, 1970) demonstrated that the SMEs intensity depended on financial factors and decide the boundaries looked by SMEs in Malaysia. They found that the reliant variable

is the scholarly capital viewpoint of Malaysia's SMEs, and three autonomous factors are authoritative of SMEs in Malaysia; (1) meaning of SMEs, (2) job of SMEs in the economy, and (3) the difficulties of SMEs in Malaysia, the reference utilized in the examination related current issues. The findings stated that it is proposed that the knowledge-based economy and intellectual capital emerged as the most critical factors for the development of the organization. In conclusion, formation of SMEs in Malaysia influence economic development, but the major of the obstacles faced are from the intellectual capital perspective. (Smith & Webster, 2000) led an investigation that deliberate the view of business obstructions confronting little and medium venture in Malaysia and further investigated the suggestions to recognize the SME's business challenges. They found that intentions to use SMEs business barrier factors as being a dependent variable and the study consisted of five factors' keys analysis of perceptions; (1) perception of government policies; (2) perception of human capital; (3) perception of availability of infrastructure; (4) perception of business competition; and (5) perception of financial issues. This study analyzed by the qualitative analysis method. The results showed that the perception of government policies and perception of availability of infrastructure are the SMEs major business barriers. Thus, the study provided some empirical research knowledge for identification of business barriers facing small and medium enterprises in Malaysia. Based on the findings of (Jennex, Amoroso, & Adalakun, 2004) it was reasoned that a comprehension of the elements influencing business accomplishment for little and medium endeavors (SMEs) was significant; explicitly on the best way lessen the danger of disappointment and exchange cost, increment possibility of progress and improving access to business achievement is a reliant variable, while eight elements are the free factors; (1) SME attributes, (2) the executives and skill, (3) item and administrations, (4) client and market, (5) the method for working together and collaboration, (6) assets and found, (7) procedure, and (8) outer condition. Subsequently, these variables help SME's qualities to improve their vital position, center around the center business, lessen exchange costs, improve the association with providers and clients are refreshed decidedly with the innovation changes that influence SME's business achievement.

Thusly the assessment gave some observational research data to factors impacting the business accomplishment of little and medium endeavors.(Eriksson, Hultman, & Naldi, 2008) surveyed the effect of budgetary choices, trailed by system on Celaya's independent company seriousness. This study showed financial decision and strategy are dependent variables while the independent variables are; (1) the relationship of financial decision and (2) business competitiveness. This investigation broke down the organizations' declarations. The outcomes demonstrated that generally miniaturized scale and little undertakings settle on financing choices in accordance with escalated system; additionally that showcase life span Is low and the degree of offers is ordinary, inferring that Mexican organizations need seriousness. Therefore, before setting up business, it is a requirement to provide solid financial support and have a strong strategy to enhance the growth of small businesses. (Papageorgiou & Tringides, 2006) examined the setting up impact of web-based social networking on the business visionaries' development of SMEs in Nairobi, Kenya. They found the expectation to utilize online networking just like the needy variable. From their examination they discovered four free factors; (1) showcase get to, (2) client relationship the executives, (3) creativity, and (4) estimating of items by SMEs. This examination investigated by the distinct research plan. The outcomes indicated that the effect of web based life offered more noteworthy market availability and client relationship the board gave more prominent effect on the development of SMEs. Anyway the evaluating of items and creativity perspectives offered by online life have had next to no effect on development in SMEs. In this way, internet based life have had next to no effect on development of SMEs as far as upper hand and building solid associations with clients. (Soto-Acosta et al., 2016) recommended and explained that situating technique is worried about making, conveying and keeping up unmistakable contrasts that will be seen and esteemed by those clients with whom the firm might most want to build up a long haul relationship. Situating assumes a critical job in promoting technique, since it joins showcase examination and serious investigation to interior corporate investigation. The CRM framework centers on the productive advancement

and the executive of client connections. (Damaskopoulos & Evgeniou, 2003) features an incorporated structure of five key procedures associated with CRM system technique advancement: includes the evaluation of business methodology, is the obligation of top administration and improvement of client technique. Worth creation: business and client procedures into explicit offer for the client and association.

The hypothesis used in the study is as follows:

- H1: There is a noteworthy connection between e-business systems and selection of e-business.
- H2: There is a huge connection between benefits and adoption of e-business.
- H3: There is a noteworthy connection between e-business boundaries and reception of e-business.
- H4: There is a critical connection between e-business future bearing and reception of e-business.

III. Methodology

The independent variables involved in this study are demographics, e-business basics, entrepreneurial profile, e-business strategies, e-business benefits, e-business barriers and e-business future direction.

Independent Variables

Dependent Variables

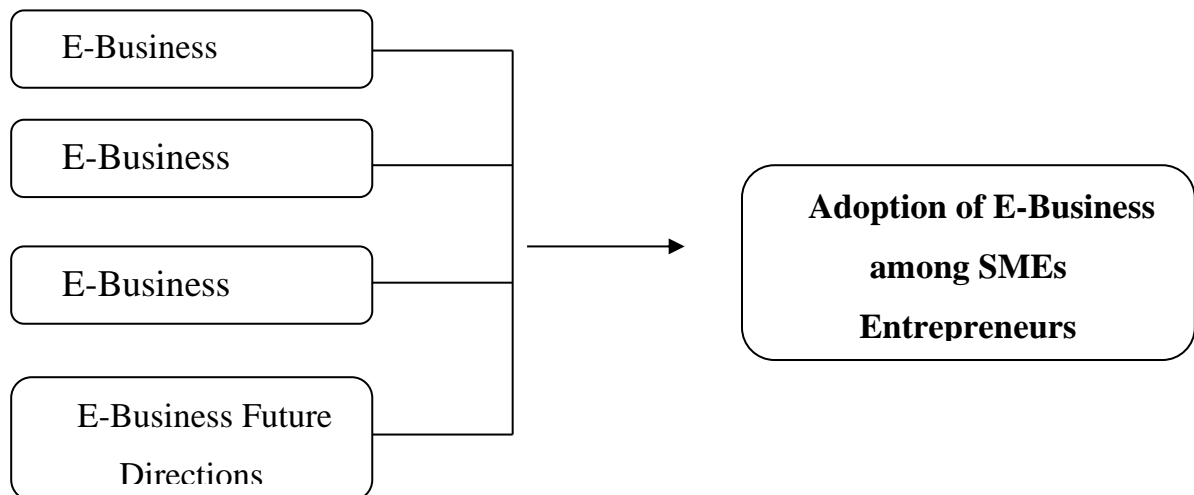


Figure 1: The Research Model

The data collection can be obtained from primary and secondary sources. According to Wikipedia; analysis of data is a process of inspecting, cleaning, transforming, and modeling data with the goal of discovering useful information, suggesting conclusions, and supporting decision making. Data analysis has multiple facets and approaches, encompassing diverse techniques under a variety of names, in different business, science, and social science domains. All data collected will be analyzed using SPSS, Microsoft Excel and E-View.

After the introduction, the conceptual framework was illustrated with the definition of dependent and independent variables, which are constituted in the framework. After that, the single equation model of adoption of e-business was indicated. Subsequently, the research hypothesis was gathered to conduct this research. Several preliminary tests such as descriptive analysis, factor analysis and regression analysis should be considered before investigating the relationships regarding the adoption of e-business. These tests will recognize the applied model which is conducted in this research.

DATA ANALYSIS

The sample descriptive statistics of the respondents responding to the questionnaire had a frequency mode between 20 and 35 years of age representing 75% of total respondents. Below is the statistical graph; figure1, showing the distribution of the age groups in this study.

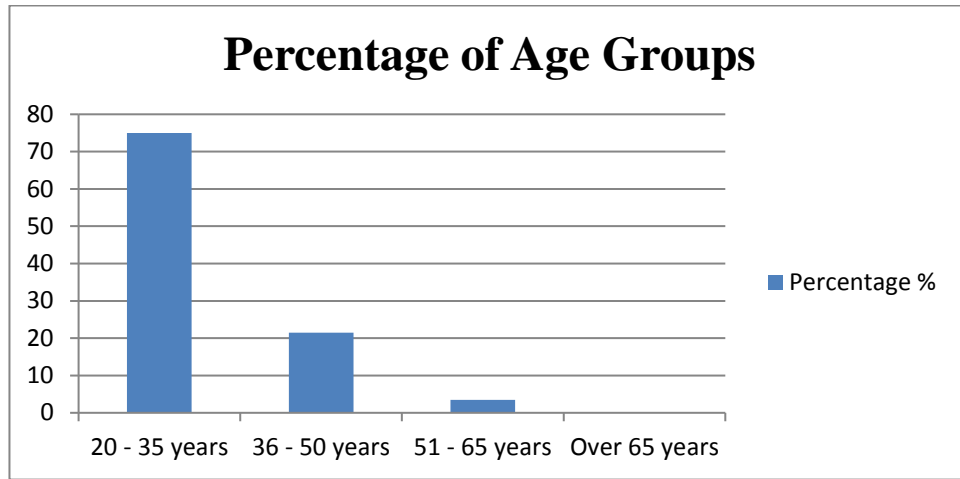


Figure 2: Distribution of Age Groups

Figure 2 indicated female candidates were represented more than male respondents, being 75 % of the total respondents.

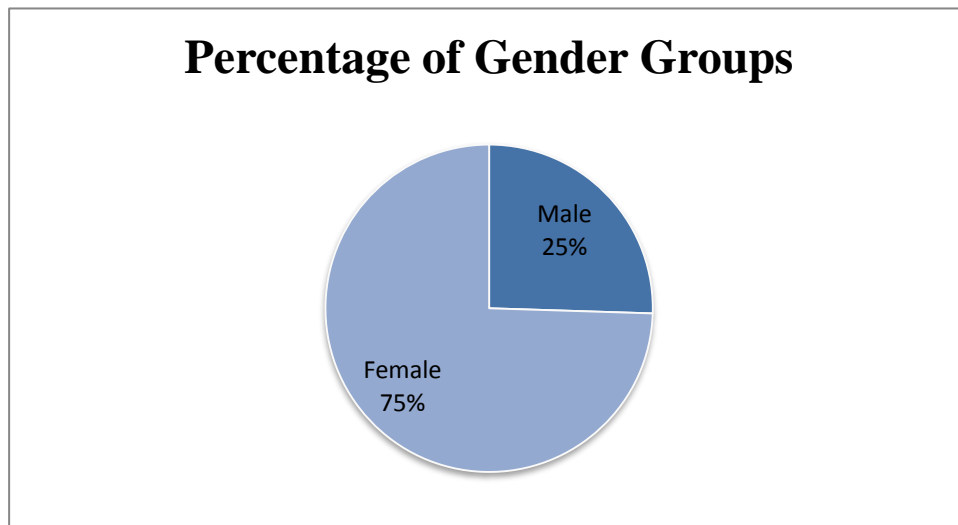


Figure 3 Distributions of Gender Groups

Accordingly, Figure 3 showed more than half, 55.5% of the respondents achieved degree certification in their level of education.

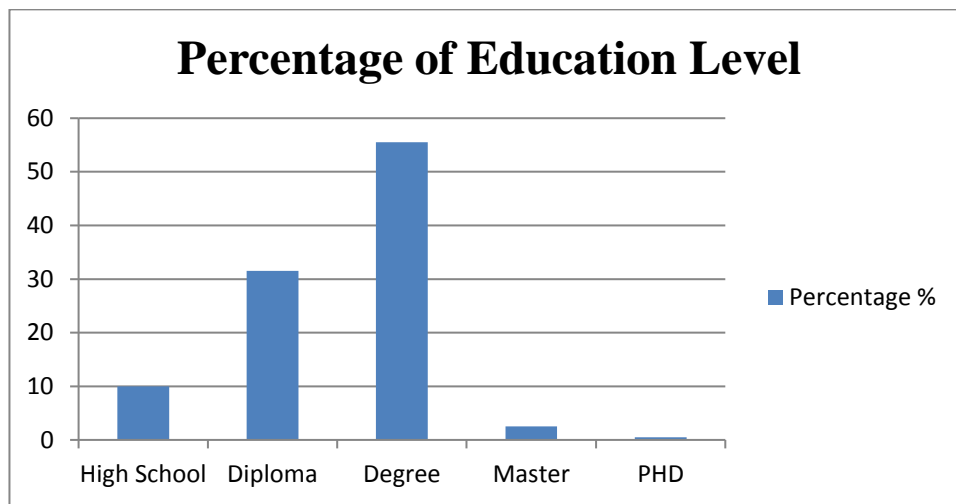


Figure 3 Distribution of Education Level

Table 1: Subsequent summaries describe these statistics in detail in conjunction with charts to illustrate the variation in variables more clearly.

	EB	EP	ES	EBF	EBR	EFD
Mean	4.286000	4.309000	4.160000	4.273222	3.686111	4.330000
Median	4.000000	4.300000	4.111111	4.222222	3.777778	4.333333
Maximum	5.000000	5.000000	4.888889	5.000000	4.888889	5.000000
Minimum	3.000000	3.000000	2.888889	1.111111	1.222222	1.888889
Std. Dev.	0.570818	0.406874	0.303962	0.422841	0.612081	0.406521
Skewness	-0.358620	-0.375727	-0.162129	-1.901828	-0.480558	-2.098424
Kurtosis	2.650482	2.812443	3.587286	17.52804	3.983182	12.97615
Jarque-Bera	5.304977	4.998829	3.750405	1879.430	15.75326	976.1419
Probability	0.070476	0.082133	0.153324	0.000000	0.000380	0.000000
Sum	857.2000	861.8000	832.0000	854.6444	737.2222	866.0000
Sum Sq. Dev.	64.84080	32.94380	18.38617	35.58005	74.55401	32.88667
Observations	200	200	200	200	200	200

As table 1 indicates the mean e-business basics (EB) for the 200 respondents is 4.286, with a standard deviation of 0.571. The maximum and minimum EB are 5 and 3. The median EB is 4, indicating at least 50% of the majority of respondents agree with EB of 4. Thus, the most frequent EB among the respondents, agree with EB is 4. The mean of e-business profile (EP) is 4.309 and a standard deviation of 0.407. The minimum value of EP is 3 and the maximum is 5. The median value of EP is 4.3, showing at least 50% of the respondents totally agreed with EP of 5. Therefore, the most frequent EP majority of respondents totally agree with EP is 5. The mean and median value are very attached to each other's, the data is symmetrical. The mean value of e-business strategies (ES) is 4.16 with a standard deviation of 0.304. The minimum and maximum values of ES are 4.89 and 2.89. The median value of ES is 4.111; indicating at least 50% of respondents agreed with ES of 4.11. Thus, the majority of respondents agreed with ES. The mean value of e-business benefits (EBF) is 4.273 and the standard deviation is 0.423. The maximum value of EBF is 5 and the minimum is 1.111. The median value of e-business benefits EBF is 4.222, showing at least 50% of respondents agreed with EBF of 4.222. Therefore, the most regular EBF most of the

respondents agreed with EBF. The mean value of e-business barriers (EBR) is 3.686 and the standard deviation is 0.612. The maximum and minimum values are 4.889 and 1.222. The median value of EBR is 3.778, indicating at least 50% of the majority of respondents agreed with EBR of 3.778. Thus, respondents agreed with EBR. The mean value of e-business future direction (EFD) is 4.330 and the standard deviation is 0.407. The maximum value of EFD is 5 and minimum is 1.889. The median value of EFD is 4.333, showing at least 50% of respondents agreed with EFD. Therefore, the most frequent EFD majority of respondents that totally agrees with EF Dare 4.333. Since the mean and median values of EB, EP, ES, EBF, EBR and EFD are very close to each other's, perhaps the data is symmetrical.

Table 2: Correlation

Correlation Matrix						
	EB	EP	ES	EBF	EBR	EFD
EB	1.000000	0.221671	0.493746	0.366206	0.082125	0.085938
EP	0.221671	1.000000	0.311548	0.266492	0.201746	0.416066
ES	0.493746	0.311548	1.000000	0.479602	0.327984	0.336704
EBF	0.366206	0.266492	0.479602	1.000000	0.292184	0.485266
EBR	0.082125	0.201746	0.327984	0.292184	1.000000	0.601140
EFD	0.085938	0.416066	0.336704	0.485266	0.601140	1.000000

Table 2 provides the r-value of correlation between EB and ES (0.494), EP and EFD (0.416), ES and EB (0.494), EBF and ES (0.480), RBR and EFD (0.601) and finally EFD and EBR (0.601) which is more than 0.3; this shows the strength of relationship is a moderate consideration.

ANOVA

ANOVA is an acronym for Analysis Of Variance. The one-way ANOVA procedure can be used to test if there is a difference in measured characteristics between more than two groups of cases. Ideally, for this test, the subjects should be selected randomly within each group.

Table 3: ANOVA

ANOVA						
		Sum of Squares	df	Mean Square	F	Sig.
EB	Between Groups	.037	1	.037	.113	.737
	Within Groups	64.804	198	.327		
	Total	64.841	199			
EP	Between Groups	.388	1	.388	2.362	.126
	Within Groups	32.556	198	.164		
	Total	32.944	199			
ES	Between Groups	.099	1	.099	1.070	.302
	Within Groups	18.287	198	.092		
	Total	18.386	199			
EBF	Between Groups	.110	1	.110	.615	.434
	Within Groups	35.470	198	.179		
	Total	35.580	199			
EBR	Between Groups	3.053	1	3.053	8.453	.004
	Within Groups	71.501	198	.361		
	Total	74.554	199			
EFD	Between Groups	.456	1	.456	2.785	.097
	Within Groups	32.430	198	.164		
	Total	32.887	199			

The p-value in the ANOVA table is EB (0.737), EP (0.126), ES (0.302), EBF (0.434) and EFD (0.097), which are more than 0.05. We conclude that there is no significant difference. However, the p-value of EBR is 0.04, which is less than 0.05, therefore; we cannot conclude that there is a significant difference. Thus, the equality of variances is assumed.

Table 4: Multiple Linear Regressions

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.293 ^a	.086	.058	.361	1.663

a. Predictors: (Constant), EFD, EB, EP, ES, EBF, EBR

b. Dependent Variable: Adoption of E-Business

Table 5: Multiple Linear Regressions

ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.370	6	.395	3.027	.008 ^a
	Residual	25.185	193	.130		
	Total	27.555	199			

a. Predictors: (Constant), EFD, EB, EP, ES, EBF, EBR

b. Dependent Variable: Adoption of E-Business

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Correlations			Collinearity Statistics		
		B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF	
1	(Constant)	2.465	.411		5.997	.000	1.654	3.276						
	EB	.093	.054	.143	1.734	.084	-.013	.199	.004	.124	.119	.698	1.432	
	EP	-.114	.072	-.125	-1.593	.113	-.255	.027	-.179	-.114	-.110	.773	1.293	
	ES	-.093	.109	-.076	-.856	.393	-.308	.122	-.136	-.061	-.059	.597	1.676	
	EBF	-.181	.077	-.206	-2.351	.020	-.334	-.029	-.228	-.167	-.162	.615	1.625	
	EBR	.050	.054	.082	.937	.350	-.055	.156	-.051	.067	.064	.611	1.637	
	EFD	-.053	.092	-.058	-.572	.568	-.235	.130	-.174	-.041	-.039	.464	2.155	

a. Dependent Variable: Adoption of E-Business

The R-Square value is 0.086, which means 8.6% of the variation in adoption of e-business can be explained by EB, EP, ES, EBF, EBR and EFD. The Adjusted R-Square is 5.8%. The Durban-Watson statistic is 1.663, almost 2.

The p-value from ANOVA table is more than 0.05, which means that at least one of the four variables: EB, EP, ES, EBF, EBR and EFD can be used to model adoption of e-business.

The Equation: $AEB = 2.465 + 0.093 (EB) - 0.114 (EP) - 0.093 (ES) - 0.181 (EBF) + 0.05 (EBR) - 0.053 (EFD)$

Thus, for every unit increase in EB, AEB will go up by 0.093 units, provided the EP, ES, EBF, EBR and EFD remains unchanged. Similarly, for every unit increase in EB will be go up by 0.093 units, followed by EP (0.114), ES (0.093), EBF (0.181) and EFD (0.053) units will be reduce and EBR will be go up by 0.05 units.

Based on the standardized Beta coefficients, the effect of EBR (0.082) is almost 2 times of EB (0.143).

The p-value for EB (0.084), EP (0.113), ES (0.393), EBR (0.35) and EFD (0.568), are more than 0.05. Thus, EB, EP, ES, EBR and EFD are not significant predictor. The p-value for EBF is less than 0.02 (< 0.05). Hence, EBF is a significant predictor.

The 95% confidence interval (CI) for EB is (-0.013, 0.199), EP (-0.255, 0.027), ES (-0.308, 0.122), EBR (-0.055, 0.156) and EFD (-0.235, 0.13), where the value of 0 falls within the interval, again indicating those are not significant predictor. Where else, the 95% CI for EBF (-0.334, -0.029), where the value of 0 does not fall within interval, again indicating EBF is a significant predictor.

Factor Analysis

The purpose is to remove all redundant highly correlated variables from the data file, replacing the remaining ones with a smaller number of variables, often called factors.

Table 6: KMO and Bartlett’s Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.682
Bartlett's Test of Sphericity	Approx. Chi-Square	319.878
	df	15
	Sig.	.000

The value of KMO was 0.682. Hereby, in this case a KMO value between 0.6 and 0.7 is considered acceptable. Therefore, all the variables were chosen.

This study tested by multi regression analysis indicated every unit increase in EB, AEB will go up by 0.093 units, provided the EP, ES, EBF, EBR and EFD remains unchanged. Thus, EB, EP, ES, EBR and EFD are not a significant predictor. The 95% confidence interval independent variables where the value of 0 falls within the interval, again indicating these are not a significant predictor. The value of KMO was 0.682, considered as acceptable.

IV. Conclusion

This investigation has set up a theoretical system that incorporated all variables considered to drive SME business visionaries to receive e-business. Despite the fact that this investigation depends on the structure of a mix result from a wide range of concentrates regarding the matter of e-business, there could generally be factors that impacted the SME business visionaries aim to work an e business that have not been remembered for the writing to date, or that was tended to in other writings consider. In any case, this examination is sure that it has given a diagram of the most pertinent factors right now. The talked about discoveries and their suggestion were gotten from one single investigation that analyzed a specific innovation and focused on the particular of SME business people in Malaysia..Accordingly this examination needs to practice alert with regards to the speculation of discoveries and conversation to different advances or gatherings. With this confinement, we accept our discoveries are significant to both hypothesis and practice. The exploration features selection of e- business among SME business people in Malaysia. However not explicitly as tended to in the current e-business writing, these discoveries increment cognizance about SME e-business with respect to the key issues that sway the economy of e-business .These impediments make ready to future investigations. Moreover, another fascinating road for additional examination could be a natty gritty investigation on e -business with potential components got from various wellsprings of writing. Notwithstanding repeating these discoveries across various e-business factors, future research may likewise address the showcasing technique .Future examinations could look at the changed web innovation execution comparable to the appropriation of e –business in various societies, with respect to client recognitions, perspectives and fulfillment.

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