
Information technology and competitiveness: evidence from micro, small and medium enterprises in Cimahi District, Indonesia

Maman Setiawan* and Rina Indrastuti

Department of Economics,
Faculty of Economics and Business,
University of Padjadjaran,
Jl. Dipati Ukur No. 35, Bandung 40132, Jawa Barat, Indonesia
Email: maman.setiawan@fe.unpad.ac.id
Email: rina.indiastuti@fe.unpad.ac.id
*Corresponding author

Peggie Destevanie

Yolita Jaya Indonesia Inc.,
Jl. Industri Cimareme 1 No. 1,
Padalarang 40553, Jawa Barat, Indonesia
Email: historybersatu@yahoo.com

Abstract: This paper investigates the role of information technology in its contribution toward the competitiveness of micro, small and medium enterprises. The data used in the analysis is based on a survey of micro, small and medium enterprises in Cimahi District, Jawa Barat (West Java) Province, Indonesia. Variables to measure the degree of adoption of information technology, competitiveness, and other control latent variables are constructed by factor analysis using various relevant indicators. Path analysis is also undertaken to investigate the effect of the adoption of information technology on competitiveness. This research found that there is a lack of use of information technologies among the micro, small and medium enterprises surveyed. The information technologies are used for some purposes such as administration, marketing, production, and other activities related to the business. This research also found that the adoption of information technology has a positive contribution to competitiveness.

Keywords: competitiveness; micro, small and medium enterprises; SMEs; information technology; path analysis; factor analysis.

Reference to this paper should be made as follows: Setiawan, M., Indrastuti, R. and Destevanie, P. (2015) 'Information technology and competitiveness: evidence from micro, small and medium enterprises in Cimahi District, Indonesia', *Int. J. Entrepreneurship and Small Business*, Vol. 25, No. 4, pp.475–493.

Biographical notes: Maman Setiawan is a Lecturer and researcher at the Economics Department, Faculty of Economics and Business, University of Padjadjaran, Indonesia. He received his PhD from Wageningen University, Netherlands. His research interests focus on industrial organisation, efficiency and productivity, and industrial manufacturing, banking, and SMEs performances.