ABSTRACT

Small and Medium-sized Enterprises (SMEs) in the Information and Communication Technology (ICT) industries play a crucial role in the new economy. Most SMEs operate in a fiercely competitive environment; as such, it is important to optimise business practices. It is believed that Performance Measurement (PM) tools can help to identify weaknesses, clarify objectives and strategies, and improve management processes. Though SMEs have their own characteristics, making them quite different from large organisations, they are not of any exception when it comes to the information need. It can be said that SMEs are more in need of such packages to make them better known to the outside world with the help of other IT aspects, like Internet. SMEs are in no way an exception of being in need of ICT systems. Hence, the present research deals with the challenges SMEs will be faced while implementing ICT systems.

From present research though, it is evident that the level of ICT penetration into the SMEs in Mysore as well as Bangalore is too low. SMEs are either unaware of such packages, or unwilling of using them. Moreover, this finding shows that how much potential is in this part of the world to put the endeavour in making the package first known and second acceptable for the SMEs. It seems that though SMEs do need such systems, the two reasons mentioned above are the possible reasons of this low percentage of ICT usage in Bangalore and Mysore cities. The reason could be the SMEs financial inability of purchasing ICT systems. But as the new version for such systems have emerged in the market in the form of rental ICT packages, the second hunch for none-using of such system, that is the lack of knowledge regarding the latest trend, will be the case.

ICT systems are in infancy in their way in Karnataka state's market. Small and Medium sized companies are not well aware of the packages, and those heard of such packages are not well convinced of their importance in their business success. SMEs willing to enter into the Europe and North American niche markets should be equipped with the appropriate weapons. If they want to integrate their information flow with that of their customers and business partners, they have no choice but having a system in which the information is moving smoothly. With the new technological developments in business processes, developing such systems within companies are not the right choice, though some of the companies have done
it and have become successful in that, but it seems that these are the exceptions out of the rules.

The constructed PM framework measures both internal and external performance determinants and performance results. The performance results’ dimensions include the financial results to satisfy the investors, the customer satisfaction indicators to meet customers’ needs, the competitive indicators to reflect the competitive advantages, and the collaborative measures to measure the partnership.

The results of the present thesis would be beneficial for the SMEs willing to get more information about the ICT, and their capabilities. Moreover, it can be helpful for academician in making their knowledge fresh regarding the SMEs challenges in successful ICT implementation. Vendors of ICT systems also can be another stakeholder, making use of the results of the present survey. The results show that there is a huge opportunities for ICT systems vendors to put their efforts in this area, for selling their products.