

The Role of Information Technology on Management of SMEs in Kosova



Dandugudum Mahesh, M. Rajyalaxmi, M. Shravan, Kafila

Abstract: Information technology had an incredible effect on all parts of life and the worldwide experienced key change in present economy. Information Technology has extremely genuine effect in the greater part of ventures and in all parts of the economy, while organizations and endeavours keep on undergoing impressive changes. Utilization of these advancements is upsetting the principles of business bringing about an auxiliary change of endeavours. Present day organizations are impractical without the help of data innovation, which is significantly affecting the tasks of Small and Medium Sized Enterprises (SME) and it is guaranteed to be fundamental for the survival and development of economies in general. SME is attracting consideration created and developing nations and also experiencing substantial change in nations. It is for the most part is perceived that SME assumes a key phase in the renewal and improvement of the national economy in numerous countries and especially with regards to Kosova. It is empowering the enhancement of SME and the phase that SME division can play in advancing monetary and social enhancement by making open doors for work. These segments are portrayed and talked about while greater research and thinks about on the reception of information innovation in SME in Kosova are proposed as essential.

Keywords: Information Technology, Small and Medium Sized Enterprises (SME), Business Strategies, Business Economy.

I. INTRODUCTION

Small and Medium Sized Enterprises (SME) assume a critical part in the monetary advancement of a nation. A few hypotheses expound on the association between information technology, monetary improvement and social change. All concede to the significance of data and correspondence innovation reception in SME, while the significance of SME as motors to monetary development is very much acknowledged around the world. Data innovation, especially the Internet is significantly affecting the activities of SME

and it is asserted to be basic for the survival and development of countries economies when all is said in done and SME in particular. Particularly data innovations are changing the economy and conventional business turn out to be more reliant on new innovations. Contrasted and customary business new advances encourage an expanded intelligence, adaptability, shabby business exchanges and also enhance interconnection with business accomplices and costumes. Data innovation is having a noteworthy effect in the division of Small and Medium Sized Enterprises (SME), particularly where ventures are in a decrease or when unemployment levels are high. In Kosova, SME improvement is drawing consideration as well and current patterns of organizations and data innovation utilization are occurring [1].

II. CONCEPT OF SME AND INFORMATION ACCESS USED IN SME'S

Early innovations greatly affected all parts of life and the worldwide society and economy is experiencing a basic transformation. Society is changing and is getting to be "information society" more reliant on new advancements, with another economy or "learning economy", where learning and data are basic and the key factor of generation and where thoughts, procedures, learning and data are developing an offer of exchange the learning economy. In the data society condition, effective undertakings create high innovation products and ventures and change human exertion materials and other monetary assets into item and administrations that address client's issue. In such society, with a specific end goal to be fruitful, SME would require excellent data and should dependably give predominant esteem, superior to contenders, with regards to quality, cost and administrations [2].

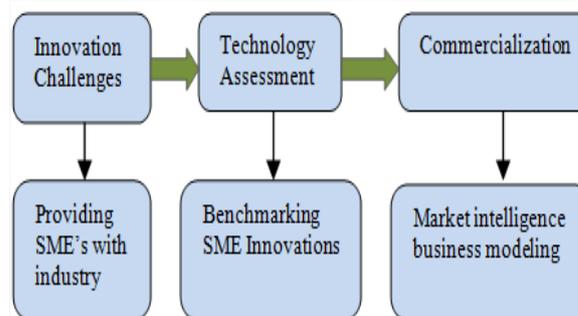


Fig 1. Commercializing technology with SMEs

SME are regularly observed as imperative for the development and advancement of economies and the long-term of monetary improvement of the nations relies upon the advancement of SME segment [3].

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Behind this lies a normal acknowledgement that SME plays an essential what's more, a key part in renewal and advancement of the national economy in numerous nations [4], by giving different merchandise and ventures, framing a structure of division of work and creating local economies and groups. Moreover, SME is viewed as key specialists of social and financial development and these are progressively turning into the most imperative piece of the economy since they assume a key part in cultivating development and marketing occupations and decreasing destitution. There is no recognized widespread meaning of SME. For our motivation, we restricted our consideration regarding the regular meaning of the organization for economic cooperation and Development, which depends on work figured in charts and graphs. The broadly acknowledged definition focuses on small scale enterprises with between 1 to 45 employees, while Medium Sized Enterprises are firms with between 40 to 90 representatives [5]. As per we discussed in earlier, small scale enterprises are characterized as firms that are registered and have fewer than 50 workers. Then again, medium scale undertakings are characterized as enlisted firms with fewer than 110 representatives. In financial terms, an SME would have fewer than 20 million US dollars and income.

Globalization of world economy and technological developments in the too many years of the twenty first century have modified the large part of riches making work from physically based to getting to know primarily based and it has substantially extended the estimations of information to the business association via offering new business openings. While, for the last two hundred years, financial matters have perceived just two components of generation: work and capital, this is no evolving. Information and technology are supplanting capital and vitality as the essential riches making assets. Data has turned into a basic asset, an extremely valuable item and essential contribution to advance and improvement. Data has moved toward becoming synonymous with control. Subsequently, exact, quick and pertinent data are thought to be basic for SME [6].

ventures, particularly in focused business condition and supervisors use data as an asset to design, sort out, staff oversee and control exercises in ways that accomplish the endeavors goals. The capacity of SME's to understand their objectives relies on how well the association gets, translates, integrates, assess and comprehends data and how well its data channels underpins hierarchical procedures.

Combs [7] noticed that information innovation is a standout amongst the essential elements of any generation movement and mechanical changes can have significant results. This innovation will keep on enabling the development of worldwide work, where SME work crosswise over national limits. Today, new advancements, particularly Internet innovation are changing the worldwide streams of data, exchange and speculation and the focused advantage of enterprises, administrations and areas. These progressions are requiring from all endeavors, regardless of their size to put resources into the selection of new innovation. The capacity of SME to make due in an inexorably aggressive and worldwide condition is largely impacted by their ability to get to data as an asset and utilization of new innovations. More noteworthy utilization of these innovations is regularly connected with made strides accessibility of data, nature of work, effectiveness and efficiency in achieving errands.

These patterns will grow quickly finished one year from now and abilities will steadily increment joined by more prominent simple of utilization. Data innovation will keep on being first significance in the advancement of the nations, economies and undertakings. Taking into the thought the maximum capacity of these advances, they may likewise play an imperative part later on.

III. KOSOVA AND ITS INFRASTRUCTURE IN SME'S

In this final decade of the twenty first century and the start of the twenty-first century, the wireless internet and mobile devices changed the substance of interchanges, as well as gave the stimulus to monetary development. Data innovation is assuming a basic part of present society. It has changed the entire world into a worldwide town with a worldwide economy. Information which is incorporates Information and Communications Technology (ICT), impacts organizations in an assortment of ways.

Leitrim [8] called attention to that there is some proof that innovation has a noteworthy impact on the structure of the association. So also, Chong at.el.[9] expressed as certainly influence the authoritative structure and administrative basic leadership also, permit firms greater adaptability in the choice of plausible hierarchical structure. Today, the vast majority understand that PCs have had and will keep on having a huge effect on their lives. Data innovation empowers people groups and undertakings to catch financial open doors and to enhance business forms by expanding process effectiveness and efficiency and open doors for business and can contribute to wage age and neediness lessening. Current overall developments demonstrate to us that utilization of data innovation will be a vital factor for the focused development of SME in worldwide and local markets.

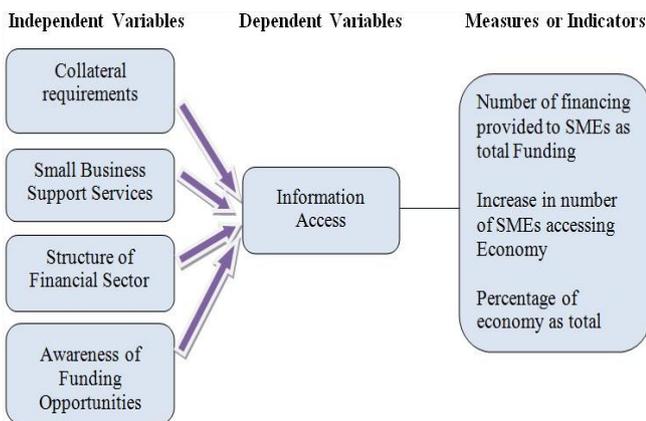


Fig.1. Conceptual framework

SME would require and additionally powerful data systems to help and to convey data to the distinctive clients. Such data frameworks would incorporate that innovation that helps basic leadership, give viable interface amongst clients and PC innovation and give data to the directors on the everyday tasks of the endeavors. Data is required for different purposes and fill in as an important ware or item. Data is a critical part of choice making in all levels of administration in

Developments of aggressive weight compel SME to battle for upcoming businesses, latest items and new conveyance channels. These condition developments can be confronted just from those organizations that have quality data frameworks bolster. The main aggressive advantages organizations and SME appreciate are their procedure of development and accessibility to get an incentive from data as an asset [10]. As noted before, data innovation is the innovation that is utilized to store, control, circulate or make data. Besides, it is asserted that through the utilization of data innovation, SMEs can pick up from creating capacities for overseeing, information escalated assets, appreciate reduced exchange costs, create limit with respect to data social occasion and spread of worldwide scale and pick up access to a fast stream of data. New plans of action and market setups empowered by data innovation, including business process outsourcing, give SMEs access to new market and new wellsprings of focused advantages. Some of the introduction might be seen additionally at SME in Kosova and it is empowering the advancement of SME part as an approach to differentiate Kosova economy which has to advertise a significant progress. There are 55.000 registered organizations in Kosova. The rate that SME represents in the economy of Kosova is around 98% and SME's have potential to assume a noteworthy part of financial development. Venture structure is for the most part overwhelmed by smaller scale ventures. SME show 65% of the aggregate business and the contribution of SME area in GDP is 80% [11]. Data innovation utilization in SMEs in Kosova is discovering quick use because of numerous needs, for example, cost derivation, compelling and normal advancement, quick response, speedier acknowledgement of items and administrations and so on. Specifically, data innovation development and improvement are being driven by the private segment and private organizations. The significance of data innovation reception in SMEs in Kosova is delineated with the way that fares normally in 2017 is higher at SMEs that have received data innovation than at those that don't utilize these technologies. Because of data innovation use, the profitability of SME's has developed, taken a toll diminished and item life cycle abbreviated.

IV. RESULT ANALYSIS

Moreover, in Kosova were checked developing positive propensity of PC utilization for showcase examining and arranging, for generation administration and for quality control. Selection of Information Technology in Kosova business, in general, is a challenge; particularly on the off chance that we consider that Kosova showcase has restricted size. The significance joined to the data innovation reception in SME's in the Kosova economy is likewise reflected in the expanding number of concentrates that are being embraced by the division. Nonetheless, a couple of those examinations have embraced the evaluation of the adoption of data innovation in the SME and have not tended to issues relating to the improvement of the SME aggressiveness in the local and universal market. Specifically, the casual sector which is tremendous because of the expansive number of employees it consumed as an outcome of insufficient occupations and

openings in the formal area is underexplored and broadly summed up.

Thus, the administration of Kosova and contributor offices have progressively been underlining the key part that the SME division can play in promoting the monetary and social advancement and is empowering organizations all in all and SME area specifically to put resources into data innovation in order to accomplish monetary advancement. The government perceived that because of data innovation use, a significant part of the creative movement in the new economy seems to originate from little firms and even little firms discover it progressively simple to create and convey data anyplace on the planet, what's more, access new markets and new open doors [12].

What's more, PCs fundamentally affect the ways that a firm sorts out, settles on choices and use its bookkeeping capacities. Data innovation use bolster SME's to increase upper hand by making esteem and contending with huge associations. The legislature has understood that it isn't sensible to rely upon social endeavors for the long-haul monetary advancement of nation and privatization process is going on. The responsibility of the legislature is reflected in its steadily expanding interest in data innovation. Progressively, World Bank is supporting and empowering SME division in Kosova.

This is affected by the acknowledgment that for Kosova to accomplish manageable monetary improvement, endeavors must spotlight on the entrepreneurial base. An examination acknowledged from different universities guarantee that more than 80% of SME's in Kosova are outfitted with PCs and stamp development from year to year (32% of every 2017 to 39.6% in 2018).

Table 1: Kosovo's trade balance (in millions of euro)

Selected Indicators	2015	2016	2017	2018	2019
Real GDP Growth (%)	34.5	7.19	2.34	2.79	16.12
Inflation (annual average)	8.42	25.5	32	39.6	41.35
Exports of goods and services	3.12	69.2	78.8	7.12	24.23
Import of goods and services	12.45	34.12	5.4	7.04	45.10

Likewise, a positive development was set apart in 2017 and 2018. Particularly in the year 2017, a higher development is watched contrasting and earlier years (2017 and 2018) [13]. This development from the year 2016 (69.2% of overviewed endeavors) in 2017 (78.8% of ventures) is 16%. Next to this examination likewise has demonstrated that except SME's rate development which has PCs from year to year, it has additionally expanded number of PC per endeavors (7.4 PCs in 2018 contrasting and 5.4 PCs in 2017) for very nearly 45%.

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The part that incorporates the most noteworthy percent of innovation is exchanged with 40%, took after by benefit segment with 34.5% and fabricating with 25.5%. While initially SME's in Kosova utilized PCs only for financial proof and content preparing. Today, PC use by SME is changing in a quality way.

Table 2: Annual Turnover according to the Size of Enterprises and Participation in GDP

Size of Enterprises	Number of Enterprises	Turnover (€)	Participation in GDP (%)
Micro	11,231	5.000	12.12
Small	98	23.238	19.231
Medium	764	74.129	9.87
Big	34	52.568	14.34
Total	12127	154.935	55.561

Specified previously ponder demonstrate to us that more than 96% of SME's that have PCs are associated with Internet furthermore, regardless of whether endeavors falter to demonstrate the level of their incomes, the examination conveyed out from different universities offers us the appropriate response opportunity. The outcomes plainly indicate us that undertakings which gangs PC have particularly higher incomes (52.568 €), than those that don't gangs PC (5.000 €).

During a time of correspondences in which we live, much or the greater part of the aggregate volume of interchanges is transmitted electronically, so creating of this sort of innovation are driving undertakings to transform their business into advanced ones. Nations that have very much created data innovation framework have the greater part of their SMEs progressively going online.

In Kosova the change of information technology foundation in SME's and in spite of the fact that data innovation is perceived as basic in making work and expanding nations aggressiveness universally and broadly, contrasted with different nations in the district, we fall behind. For instance, while e-business and online business have turned into a reality and turnovers worldwide and in a few nations in the district, Kosova undertakings are in starting a period of e-business exchange advancement through the Internet [14].

V. CONCLUSION

It is empowering the advancement of SME area as an approach to enhance Kosova economy Data innovation use in SMEs in Kosova is discovering quick utilization as well. Be that as it may, notwithstanding the change of data innovation framework in SME's and despite the fact that data innovation is perceived as basic in making business and occupation openings, contrasted with different nations in the locale, they linger behind their partners. Consequently, their level of data innovation utilization stayed low. This circumstance was largely ascribed to numerous elements, for example, the absence of access to credit, insufficient data settle on an informed choice, the absence of mastery, computerized lack of education, the high cost of access to data innovation framework and high tax collection.

Without utilizing of information innovation today, SME will have actual and deadly outcomes later on and will propose the threat of lingering behind monetarily with every

one of the recommendations that this entailed. Specifically, in the event that we take in the thought that data innovation exhibits a basic factor of improvement of the economy when all is said in doing what's more, SME's specifically. This innovation ought to be utilized by SME's in Kosova as a capable device to get aggressive advantages, deliver high included esteem items and forms and create focused methodologies inside a business, locally and globally, execute programs to advance supportable territorial mix and make conducive condition that would animate the SME's competitiveness in the provincial condition. The government ought to be associated with giving condition to help and help SME's to better utilize data innovation and increment the nations intensity, profitability and development through the interest in data innovation, e-business and new plans of action.

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