

**IDENTIFYING FACTORS AFFECTING DIGITAL  
TECHNOLOGY ADAPTATION OF SMEs: SPECIAL  
REFERENCES TO SMEs IN RATNAPURA DISTRICT**



By

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## ABSTRACT

This research investigates the Identifying factors Affecting Digital Technology Adaptation of SMEs: Special References to SMEs in Ratnapura District. In this research, there are seven independent variables such as relative advantage, compatibility, perceived ease of use, organizational readiness, security risk, perceived cost and managers characteristics and the dependent variable is digital technology adaptation. The study accompanies with Quantitative research approach. Primary data as well as secondary data had been practiced by this study. Structured questionnaire was used as the method of data collection and questionnaire consist two parts as personal information of the respondent and research information. Questionnaire included 40 questions with five point Likert scale ranging from strongly disagree to strongly agree. Pilot study was conducted to test the reliability of the questionnaire. Population of the study is 250 owner/managers of SMEs in Ratnapura district. Collected data were analyzed using SPSS 25.0 analysis. The data were measured using descriptive statistics, correlation and multiple regression analysis.

The findings indicate that there is good reliability of relative advantage, compatibility, perceived ease of use, organizational readiness, security risk, perceived cost and managers characteristics and digital technology adaptation and high level of relative advantage, compatibility, perceived ease of use, organizational readiness, manager characteristics, digital technology adaptation. In Ratnapura district, SMEs have a low level of security risk and perceived cost. The results also showed that there is a strong positive relationship with relative advantage, compatibility, perceived ease of use, organizational readiness, managers characteristics and digital technology adaptation. There is a strong negative relationship with security risk, perceived cost on digital technology adaptation. Furthermore, the study discovered that relative advantage, compatibility, perceived ease of use, organizational readiness, and managers characteristics are positive impact on digital technology adaptation. security risk and perceived cost are negative impact on digital technology adaptation.

***Key words: Digital Technology Adaptation, Relative Advantage, Compatibility, Perceived Ease of Use, Organizational Readiness, Security Risk, Perceived Cost And Manager Characteristics.***

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