

Research Paper

Volume 6, Issue 4, October 2014, ISSN 1936-0282

Absorptive Capacity and ICT Adoption Strategies for SMEs: a Case Study in Kenya

Joshua R A Ndiege

University of Fort Hare, South Africa & United States International University-Africa,
joshuarumo@yahoo.com

Marlien E. Herselman

University of Fort Hare, South Africa & Meraka Institute, CSIR, Pretoria South Africa,
mherselman@csir.co.za

Stephen V. Flowerday

University of Fort Hare, South Africa, sflowerday@ufh.ac.za

Abstract

Many small and medium enterprises (SMEs) in developing countries continue to be challenged by their information technology (IT) adoption process, which is often characterized by a number of deficiencies. The purpose of this study was to examine the role of absorptive capacity (AC) in SMEs' performance, as well as establish the correlation between SMEs' AC and their IT adoption process. The findings of this study, obtained by measuring different dimensions of AC using Jimenez-Barrionuevo, Garcia-Morales, and Molina's scale of 18 items, suggest that AC plays a critical role in the performance of SMEs in Kenya and that SMEs with strong AC employed the use of more superior IT adoption processes than did their counterparts with low levels of AC. The researchers submit that, if exploited, AC has the potential to improve the IT adoption strategies of SMEs in Kenya and those of other developing countries that operate within similar environments.