

Information technology and competitiveness of SMEs in Kosovo

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Abstract

Computerization for enterprises means increase opportunities to compete in the global market. The world economy has changed dramatically, especially due to the rapid development of information technology, enterprises to survive in a highly competitive global market with a short life cycle and production with a large diversity of products must apply this technology.

The development of information technology in SMEs in Kosovo is increasing day by day this is best illustrated by what Kosovo businesses have already realized that the exploitation and use more soon this technology it can create competitive advantage. This should be more understanding because businesses are oriented to increase the results of their work, productivity, etc.. Information technology is the key to success for SMEs, which will open the door for their future.

The globalization of the economy and open competition conditions will be driving for better organization of production by using advanced software in SMEs in Kosovo. Computerization of enterprises has opened opportunities for fast and direct contact with businesses of different countries and regions which have set new performance and business development for better opportunities.

Key words: Information Technology, SMEs, Globalization, Enterprise, Knowledge, Competitive Advantage.

Introduction

Computerization for enterprises means increase opportunities to compete in the global market. The world economy has changed dramatically, especially due to the rapid development of information technology, enterprises to survive in a highly competitive global market with a short life cycle and production with a large diversity of products must apply this technology.

Today the economy is transformed by the classical model of the economy in a new model known as the "knowledge economy" or "global economy".¹ In terms of the knowledge economy to create competitive differences between companies, they must be innovative in the information technology, information technology has become as integral part of organizational strategy and planning processes and the way to create and enhance competitiveness.²

In the XXI century, companies operate in a competitive business environment, in terms of

computerization and information technology application. Therefore, you must be able to react quickly to changes that may occur in the vicinity which may endanger their existence. They are constantly under the pressure of competition and are forced to walk in step with the competition and ensure their global markets. Also IT project management is the Ability to balance the love and Implementation of technology While Leading and inspiring your team members. Of course, the goal of project management is not technology for technology's sake, but a Movement Toward Rather things like improved Customer Service, enhanced product quality, and Increased Profitability. ³ Even in Kosovo, in terms of the new economy and the process of globalization is present in the relationship between different companies and trends observed in the increased use of information technology, computerization of enterprises and the growth in business cooperation between business partners and the consumer.⁴

¹ Mihane Berisha-Namani: *Informatika e biznesit-Ligjerata*, Prishtinë, 2004.

² Robert Urwiler, Mark N. Frolick.: *The IT Value Hierarchy: Using Maslow's Hierarchy of needs as a metaphor for gauging the maturity level of Information Technology use within competitive organizations*, (Information Systems Management, 25: 93–97)

³ IT Project Management: *On track from Start to finish*, Joseph Phillips

⁴ Grup autorësh (1998): *Tema të zgjedhura nga informatika, Kapitulli: Don Tapscot: The digital economy.*

Given current trends in enterprise informatization global scale is imperative that the SMEs to transform Kosovo into computerized enterprise and focused on achieving their economic viability. Current processes of business development at global scale clearly show that sustainable economic development in the time in which we live is derived from their ability to be innovative in business processes to gain competitive edge, to be involved in the management and conditions achieve success and prosperity in a much longer period of time.

Computerization resources to develop sme in Kosovo

In modern conditions of business development, information-knowledge has become an important resource in the enterprise, information technology and important factor of success and efficiency of its business. 5 These general trends of computerization not left out either Kosovo. Successful companies know that through better communication can make better business for using IT can ensure greater success in global markets and stable position. With proper communication technology they have choices: to find reliable business partners, partners who can provide the right quality with affordable prices, to provide employees with tools that ensure effective communication on one another, while customers services best benefit more clients in more economical and more efficient implementation and ease their business customers. In Kosovo, in terms of the new economy and the process of globalization increasingly expanding use of information technology and business cooperation with customers and business partners. SMEs are the backbone thought that the development of the economy. They are the main source of new jobs and a breeding ground for new business ideas. Attempts to enter the new economy will succeed only if small business will be placed on the agenda of the most important institutions of the country.

Computerization indicators

Information Society is a new form of life of human civilization, where universal and equal access to information along with developed infrastructure systems and electronic communications contribute to

sustainable socio-economic development and create a better standard of life.⁶

Information technology is a critical factor of modern businesses and enterprises. Enterprises use information technology to gain advantage in comparison with the competition. In fact many basic processes are established businesses to increase output, productivity, lowering costs and increasing efficiency at work, etc., all through the use of computing technology. Many believe that IT and computing system based on computer will have a profound effect on the way we organize because we do business, and in this process we use technology and computing system to get faster and more accurate functions business.

Today, economic systems and their development is inconceivable without computer products. Information systems provide a powerful support to economic systems, which support this results in a high efficiency and flexibility in decision making.

In most cases computing technology is seen as a system consisting of people, equipment and procedures to collect, arrange, analyze, evaluate and disseminate timely information to the addressee of the decision or as a formatted computing system that can collect supply, process, and report data from various sources to provide the necessary information for management decision-making processes⁷, so computerization indicator of a company measured primarily with:

1. The total number of computers using / population;
2. The total number of those who use the internet / population;
3. Percentage of population education in the use of information technology;
4. The amount of software produced in that society etc.

Indicators are computerization of an economy; economic data as gross national product growth of GDP, data from information and communication technology (ICT), the number of computers for the population and the amount of information,

⁶ *Strategjia nacionale për shoqëri të informacionit 2006-2012, Ministria e Transportit dhe postë & Telekomunikacionit të Kosovës, Prishtine, 2006. fq.4.*
⁷ James O.Hicks,Jr, *Management Information System, 3rd Edition* , Virginia Polytechnic Institute and State University).

⁵ Mihane Berisha : *Informatizimi i ndërmarrjes, ligjërata, 2001.*

technological number of publications in journals and publications scientific.⁸

Computerization of economic indicators expressed in creating an electronic business services which affect the growth of living standards, rapid progress and development in all fields for electronic services of all categories enables faster service, in any time and from any distance, in order to meet daily. Electronic services modernize and create an efficient and responsible management at all levels of development.

Informatization indicators expressed in all segments of the economy, education, health, communication, media reports, the public sector, in commerce and in all branches of industry. This technology is also expressed in the field of education, namely electronic education or education-which is the basis for an education technology based on the use of ICT at all levels of education. Computerization of schools, electronic libraries to create new spaces more efficient ways to acquire knowledge. It is important and stress-pointer for electronics education through increased level of education in the highest degree possible. In schools and universities scope of information and communication technology have created deserved space to create capable and sufficient for the electronic society and electronic government.

From an economic good indicator of computerization is definitely the electronic business and electronic commerce where through them create a favorable environment for the development of systems and transactions which are necessary for the provision of electronic services.

Through various electronic services and their proliferation through the Internet, citizen possibility of direct participation in various processes.⁹

Level of sme informatization in kosovo

The development of information technology at a rapid pace and its use in enterprises in Kosovo, the use of computers by SMEs is constantly changing quality. Kosovo SMEs use computers for financial records, text processor and market research. Remains low as a percentage of the use of computers for production management and quality control, but it is worth

⁸ <http://en.wikipedia.org/wiki/Informatization>, vizituar, 26.10.2009.

⁹ *Strategjia e qeverisjes elektronike 2009-2015, Prishtinë, tetor, 2009, fq.12.*

mentioning that there is a positive and even discounts to use as a text processor's computers from 16% in 2008 to 11.7% in 2011. Also at the positive trend in 2011 and the use of computers for research and planning, market and financial records.

Tab. 1. Show using computers by SMEs in Kosovo .¹⁰

	2001	2002	2003	2004	2005	2008	2011
Financial Evidence	51.7	45.7	46.5	44.4	41.6	33.8	37.7
Text processing	12.4	13.7	14.8	13.2	14.5	16.0	11.7
Market research	13.1	12.6	12.5	10.7	14.2	14.2	15.3
Leadership production	6.2	7.6	4.4	7.0	6.8	10.4	8.0
Quality control	3.7	4.0	4.2	4.6	5.0	6.6	6.8
Planning	-	-	-	13.0	13.7	14.2	16.7
For something else	-	4.8	7.7	7.1	4.3	4.6	3.8
Total	100	100	100	100	100	100	100

Internet services for SMEs are of great interest because of the increasing cooperation and presentation opportunities that provide business, finding buyers, suppliers and placing of products on-line and distance. Close to 79% of SMEs in Kosovo had access to the (since 2011). In comparison with 2008 and other years has increased internet users.

Tab. 2. Internet Access by SMEs in Kosovo¹¹

	2003	2004	2005	2008	2011
Internet Access	25.1	48.2	68.6	76.2	78.6

According to the latest research on the development of SMEs conducted in Kosovo in 2011, Internet Kosovo SMEs mainly use for 46.8% of the market research, communication (e-mail) you seen a 18.1% decrease compared to 2008 and increased to 15.4% promotional activities. Positive trends were noted in using the Internet to sell products at 13.9% in 2011. This is a fact which shows that the best electronic commerce has begun to evolve in Kosovo.

Tab. 3. Show using the Internet by SMEs in Kosovo ¹²

	2008%	2011%
Market research	33.7	46.8
Promotional activities	12.2	15.4
Sale of products	11.6	13.9
Communication E-mail	36.4	18.1
For other business purposes	6.2	5.7
Total	100.0	100.0

¹⁰ Source: From the RIINVEST research on the development of SMEs in Kosovo and Business Support Center.(2011) The research of the development of SME-s, Kosovo, processed by the author.

¹¹ Source: From the RIINVEST research on the development of SMEs in Kosovo and Business Support Center.(2011) The research of the development of SME-s, Kosovo, processed by the author..

¹² Source: From the RIINVEST research on the development of SMEs in Kosovo and Business Support Center.(2011) The research of the development of SME-s, Kosovo, processed by the author..

The results of using this technology seen in the rapid implementation of products and services as well as great speed to meet customer requirements. We can say that as a result of the use of new technology is booming, a new structure of the economy and the economy of the intelligence network has become a new reality. These trends in global proportions have greatly influenced the Kosovar SMEs doing to develop, transform and enhance their productivity due to increased use of this technology.

Summary

To achieve economic and social development and higher standards of living have paid special attention to the development of information society and spread the use of information technology. Computer and Internet are the catalyst of growth of the knowledge economy by enabling people to codify knowledge in a digital form easily transmitted anywhere in the world. SMEs are the drivers of economic growth and innovation. In the new

economy,

SMEs who have access to information technology and use it can provide a competitive advantage compared to those that do not apply this technology. SMEs who still do not use technology or ICT use greatly reduce problems will have to survive in the global market. In addition, SMEs are not adapted to the fast pace and complexity of the business will lose from globalization and competition which is growing.

Advances in information technology are a vital component for success among business. ICT constantly being studied and used for many business helps expand and compete with competitors. Using ICT to improve impact efficiency and effectiveness of business processes and decision support for group collaboration. Cases of successful companies are using this technology are creating entirely new business and competitive advantage. Small and medium enterprises in Kosovo by research results that use basic communication, basic information technology and advanced communications.