

People and technology-oriented barriers to SME internationalisation: Application of the Configuration Model from a developing country context

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Abstract

Although people and technology are very significant for the internationalisation of large and small firms the association between people and technology in the internationalisation of SMEs is under-represented from a developing country context. This paper examines and applies the characteristics of the configuration model of HRM onto SMEs to see what it might contribute to SMEs' entrepreneurial behaviour. A quantitative method data analysis technique is used here to identify the barriers of SME's internationalisation both from micro and macro levels. We used primary survey data from 212 Bangladeshi SMEs. Based on the data, this study has developed and validated partial least square based structural equation model (PLS-SEM) to compare technology and people-oriented barriers of SMEs' internationalisation. It has successfully framed these two types of barriers as a model and found that none of the individual barriers is even more significant. The results show that both HRM and technological initiatives are required for SME competitiveness. These HRM insights are yet to gain traction from SMEs' internationalisation, entrepreneurial perspective. By applying the configuration model to International and small Business research we contribute to HRM, International and small business theory and practice with particular attention to SMEs in developing countries.

Keywords: People, Technology, SMEs, Barriers, SEM, developing country

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