



Examining the Mediating Role of Innovation in the Relationship between Technology Adoption and Business Process Simplification among Microenterprises in Jos North, Plateau State.

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ABSTRACT

Micro, small, and medium-sized enterprises (MSMEs) have grown in importance for the economies of countries, particularly developing countries like Nigeria. This study examined the mediating role of innovation in the relationship between technology adoption and business process simplification among microenterprises. The study adopted a quantitative research design, employing primary data collection, and collected data from 342 respondents out of 356 administered questionnaires within a population of 3237. SPSS V27 was used to conduct a correlation and multiple regression analysis, with the results showing a correlation coefficient of 0.865 ($P=0.000$), and the regression values $f=45.540$ and $Sig.=0.000$. The mediation result also depicted a significant of $TF=0.379$. The finding reveals a positive and significant relationship between technology adoption and business process simplification of micro enterprises and a positive mediation of innovation. The Business owners should engage their employees in various skill development programs, further studies by other researchers on the topic in different contexts with various technology adoption indices in relation to micro, small and medium enterprises, while government and other agencies should provide training and empowerment opportunities for female entrepreneurs on e-payment, fintech and internet penetration.

Key words: Technology Adoption, Business Process Simplification, Innovation, MSMEs.

1.0 INTRODUCTION

1.1 BACKGROUND OF THE STUDY

Today's business world has been deeply influenced by Information and Communication Technologies (ICT) and the application of ICT amongst commercial is widespread. Micro, small, and medium-sized enterprises (MSMEs) have grown in importance for the economies of countries, particularly developing countries, so understanding the unique characteristics and needs of this business sector is becoming increasingly important (Davalos, 2023). Apparently, investing in ICTs substantially benefits micro and small enterprises, improving productivity, operational efficiency and long-term performance. This new technological epoch is apparent through the intensified investment in computer-processing and data preparation appliance in the manufacturing and service industry and telecommunications infrastructure, and its widespread usage in government agencies, educational organizations, and, more recently, in the households (Globakloo, et.al., 2011).



Vargas and Fontoura (2024) in their study noted that 99.8% of businesses in the UK and globally are MSMEs, playing a pivotal role in job creation, internal production, innovation and productivity growth. Eventually, these changes and needs impinge the preference to technology adoption for business operators.

Despite these significance, in the previous years, microenterprises in developing countries are faced with serious challenges on how to improve their businesses among which include difficulty in production processes, difficulty in information gathering from both customers and suppliers, un-ease ways of customer reach, complexities in delivery of goods, lack of proficient knowledge to tap new ideas as well as peculiarities in the free movement of goods and services to distant markets. Issues hindering the adoption of technology include high cost of technology usage, high cost of data subscription, lack of technology professionals, high cost of technology instruments/tools, difficulties in getting proficient, strong and stable network by the network providers. The lack of managerial capabilities and the difficulty in accessing quality management and technology are also challenges facing microenterprises in Nigeria. In addition, the provision of finances to MSMEs remains a challenge. Most of Nigerian MSMEs had potentiality to develop and expand their markets but some of the aforementioned factors diminished them.

In recent years, researchers had proved that technology adoption has been used as a driver to force developing countries to perform in their business economic sectors in such countries like Nigeria. With the advent of technology, MSMEs are able to improve through adoption of technology in simplifying their processes to reach customers easily, improve production capacity, push up goods delivery capacity and also reduce high cost of business processes. However, MSMEs that are able to utilize these opportunities are proficient to the idea of innovation.

Hence, this study proposes the inducement that there must be a link between technology adoption and business process simplification of microenterprises for the variables to thrive and this link is proposed to be innovation. Hence innovation is the influencing factor in the relationship between technology adoption and business process simplification among microenterprises in Jos North Plateau State of Nigeria.

1.2 RESEARCH QUESTIONS

1. What is the relationship between data management technology and business process simplification of microenterprises in Jos North LGA, Plateau State?
2. What is the relationship between internet connectivity technology and business process simplification of microenterprises in Jos North LGA, Plateau State?
3. What is the relationship between digital transformation technology and business process simplification of microenterprises in Jos North LGA, Plateau State?
4. What is the relationship between financial technology and business process simplification of microenterprises in Jos North LGA, Plateau State?
5. What role does innovation play in the relationship between financial technology and business process simplification of microenterprises in Jos North LGA, Plateau State?



1.3 OBJECTIVES OF THE STUDY

The main objective of the study is to evaluate the significance of innovation in influencing the impact of technology adoption as business process simplification in microenterprises: the specific objectives include the following:

- a) To examine the relationship between data management technology and business process simplification of microenterprises in Jos North LGA, Plateau State.
- b) To determine the relationship between internet connectivity technology and business process simplification of microenterprises in Jos North LGA, Plateau State.
- c) To ascertain the relationship between digital transformation technology and business process simplification of microenterprises in Jos North LGA, Plateau State.
- d) To examine the relationship between financial technology and business process simplification of microenterprises in Jos North LGA, Plateau State.
- e) To evaluate the role of innovation in the relationship between technology adoption and business process simplification of microenterprises in Jos North LGA, Plateau State.

1.4 RESEARCH HYPOTHESIS

The following hypotheses were formulated for this study and stated in null or non-directional form as follows:

- HO₁:** There is no significant relationship between data management technology and business process simplification of microenterprises in Jos North LGA, Plateau State.
- HO₂:** There is no significant relationship between internet connectivity technology and business process simplification of microenterprises in Jos North LGA, Plateau State.
- HO₃:** There is no significant relationship between digital transformation technology and business process simplification of microenterprises in Jos North LGA, Plateau State.
- HO₄:** There is no significant relationship between financial technology and business process simplification of microenterprises in Jos North LGA, Plateau State.
- HO₅:** Innovation does not mediate the relationship between technology adoption and business process simplification of microenterprises in Jos North LGA, Plateau State.

2.1 LITERATURE REVIEW

2.1.1 Micro, Small and Medium Enterprises

The Micro, Small and Medium Enterprises (MSMEs) are form of businesses whose personnel number, annual turnover and balance sheet fall below certain levels. The term MSME covers a wide range of definitions and measures, varying from country to country and between the sources reporting MSME statistics (Dickson, 2014). Grace and Michael (2014) stressed that the definitions of MSME are usually derived in each country, based on the role of MSMEs in the economy, policies and programs designed by particular agencies or institutions empowered to develop MSMEs. For instance, a small business in the developed economies like Japan, Germany, and United States of America (USA), may be a medium or large – scaled business in a developing economy like Nigeria. Moreover, the definition of MSMEs also varies overtime from agencies or developing institutions to another depending on their policy focus.



The Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) in her report of Micro, Small and Medium Enterprises (MSMEs) National Survey (2017 Report) defined MSMEs based on size, employment and assets. The report classified micro enterprises as any business with less than ten employees with less than five-million-naira worth of asset. While a business establishment with 10 – 49 employees with net asset worth of 5 to 49 million naira would be classified as small enterprises. And a business that accommodates 50 to 199 employees with net asset of 50 to less than 500 million Naira is said to be medium enterprise. In a light to this notion, the latest SMEDAN / National Bureau of Statistics (NBS) MSME survey (2020) indicates Nigeria's MSMEs contributes nearly 50% of the country's GDP and account for over 80% of employment in the country.

Table 1: SMEDAN NATIONAL POLICY ON MSMEs Definitions

Indicator/ Size of the Enterprise	Micro Enterprise	Small Enterprise	Medium-Size Enterprise
Number of Employees	< 10	10 to 49	50 to 199
Total Assets (₦)	< 5 Million	≤ 5 to < 50 million	> 50 < 500 million

Source: PWC MSME Survey (2020)

2.1.2 Business Process Simplification

A business Process is a set of related, structured activities and steps performed by individuals or equipment within an organization to achieve the organization's objectives like profit maximization and customer satisfaction (Costache, Dumitrascu & Maniu, 2021). Costache further outlined seven steps to business process;

1. **Setting goals:** identify and explain the process' purpose. Describe how success can be measured. What are the benefits of this process for our overall business goals?
2. **Identifying inputs and outputs:** It involves understanding the resources that are required as inputs to execute the process, as well as defining the desired outcomes that are produced as a result.
3. **Process mapping:** Outline the process. Flowcharts can be created by hand or with software. Each task along the way is outlined in the blueprint.
4. **Assign process task:** Is anyone involved in this assignment? You can minimize manual effort by allocating your team members based on their abilities and/or designing the system in an automated way.



5. **Test:** Test the process before rolling it out across the company or department to ensure you get the results you want.
6. **Process implementation:** After testing the process, if you are satisfied with the results, it is time to run it globally. You will need to communicate properly with all those who will handle the tasks and train them so that they can achieve better result.
7. **Analyze the result:** Consider ways of mitigating the risk by reviewing the process and looking for threads it may later pose.

2.1.4 Process Simplification

Process simplification involves systematically studying each business process, uncovering hidden sources of complexity (Crittenden, 2020). Noma (2023) defined Process Simplification as a process design technique that lets make a process more feasible and manageable through dividing this process into relatively simple task, so that every task is carefully observed to detect and remove redundant or wasteful actions and to estimate precise time necessary for implementing corrections. This technique aims to design and plan a process in a manner that is least expensive and consistent with the process' objectives.

Gaarden and Van Doorn (2021) stressed that simplification of a process allows reaching greater productivity through reduced use of mental and/or physical employee effort. They also stressed that productivity improvement also result from minimization of money and time involved in the process, employees do more simplified jobs with greater performance, meanwhile the process keeps to the same objectives, only the process's structure and resources are changed in order to reach simplification and continuous improvement.

2.1.6 Technology Adoption in MSMEs

What is technology? A definition by Hornby (2002) as cited by Onipede (2010) is given as a scientific knowledge, used in practical ways, especially in the designing of new machines, machineries and equipment. Thong and Yap (1995) and Ghobakloo et al., (2011) defined IT adoption in SMEs as applying computer hardware and software solutions that provide support of operations, management, and decision-making in organizations. They explain that the aim of IT adoption (including computer applications such as CAD/CAM, EDI, MRP) is increasing business productively. Technology adoption is defined as a sociological model that describes the adoption or acceptance of a new product or innovation, according to the demographic and psychological characteristics of defined adopter groups (Fleifel, 2022).

Several studies have been previously conducted on the use and adoption of technology in different types and scales of companies and MSMEs were observed to require appropriate solutions and methods to adopt and integrate technology into their business processes (Nurqamarani, Soegiarto & Nurlaeli, 2021). A successful implementation is expected to provide potential benefits for MSMEs such as increment in sales, enhancement of profitability, improvement in productivity, reduction in the costs of inventory, procurement and distribution, as well as the enhancement of service quality and strengthened position among competitors. Conversely, unsuccessful application is projected to have a severe impact on MSMEs with limited resources. Technology adoption also offers the MSMEs the potential to improve other dimensions of business performance such as innovation, marketing, quality and customer responsiveness (Darvalos, 2023).

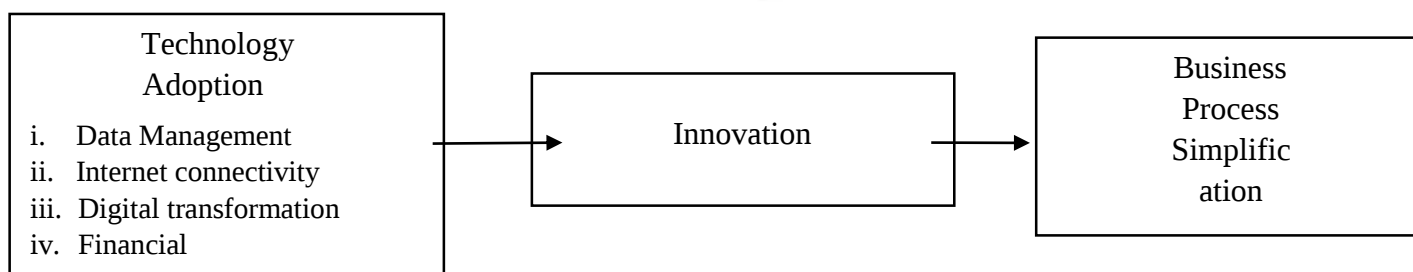


The barriers to ICT adoption for MSMEs include internal and external barriers. The internal barriers include the characteristics of the owner/manager, organizational characteristics, cost of adoption and implementation and return on investment (Tarute_ & Gatautis, 2014; Okundaye et al., 2018). External barriers include infrastructure, social, cultural, political, legal and regulatory barriers (Agwu & Murray, 2015; Tarute_ & Gatautis, 2014; Okundaye, 2018).

2.1.8 Innovation

Usually the word innovation is often confused with the word invention (Zawani, Al Mamum, Sazali & Yacoub, 2016). Innovation consists of the generation of a new idea and its implementation into a new product, process or service, leading to the dynamic growth of the national economy and the increase of employment as well as to a creation of pure profit for the innovative business enterprise (Kogabayev & Maziliuskas, 2017). According to the interpretation of Molchanou, innovation is the result of scientific work aimed at improving the social activities and intended for the implementation of social production (Siauliai, 2013; Kogabayev et al, 2017). Similarly, Mallo and Yonla (2022) established that the findings of the study revealed that consumer access, legal and regulatory environment, capital access, and technological adoption all have a major impact on technological adoption. Thus, financial and other lending institutions should be aware of the costly and difficult lending conditions that youth-owned SMEs face in the country. Yonla et al (2019) documented research results show that innovative behaviour has a significant bootstrapping mediating effect on the relationship between psychological capital and NANO enterprises among graduates. Specifically, the results explained partial mediation, meaning it has a direct and indirect relationship. In another view of the impact of innovation to MSMEs performance, Sebiane (2020) stressed that innovation-based high-tech small and medium enterprises act as the catalyst and architect for the technological transformations in almost every segment and innovation intensifies the competitiveness of the organization. The ability of high – tech MSMEs to act as catalyst of change in the economic arena can be accredited to their flexibility and adaptability, their intimacy to the suppliers and market, and their supportive internal staff, and in few cases, willingness of entrepreneurs to accept risk (Arend & Bromiley, 2009; Sebiane, 2020).

2.2 Fig. 1 Conceptual Framework



Source: Author's Compilation (2023)



2.3 THEORETICAL REVIEW

This study is designed to structure upon two propounded theories i.e Technology Acceptance Model (TAM), and Research Base View Theory (RBVT). While the first is set to be used as underpinning theory on the proposed variables, the latter is presumed a supportive theory to explain the relationship that exist among the independent variable, the mediating and the dependent variable.

2.3.1 Technology Acceptance Model (TAM)

Technology Acceptance Model (TAM) was developed in Davis's Ph.D. thesis to gain in-depth understanding about user acceptance process towards ensuring successful design and implementation of an information system. It was also used to offer a theoretical basis for practical user acceptance tests that enables designers and implementers of the system to evaluate a proposed system (Davis, 1985 & Nurqamarani, 2021). Davis and Nurqamarani, proposed that user acceptance of technology or actual system usage is affected by three major factors, which include attitude towards using the technology or system (ATU), perceived usefulness (PU), and perceived ease of use (PEOU). Moreover, the attitude towards using the system (ATU) is the major determinant factor of the actual system usage, which is affected by both PU and PEOU. Hence this theory is applied in this study to showcase the link between technology adoption and microenterprises performance hence used as the underpinning to the study.

2.3.2 Resource Base View Theory (RBVT)

Resource Base View (RBV) analyses and interprets resources of the organizations to understand how organizations achieve sustainable competitive advantage. The RBV was popularized by Hamel and Prahalad in their book; *Competing for the Future* (1996). RBV considers the firm as a bundle of resources. Dickson (1996) opined that the RBV takes an 'inside – out' view of firm – specific perspective on why organization succeed or fail in the market place. The RBVT suggests that a resource must fulfill 'VRIN' criteria in order to provide competitive advantage and sustainable performance. The VRIN criterion connotes to Value, Rare, Imperfect Imitability and Non-substitutability. However this theory is applied in this study to balance the gap of the underpinning theory as regards to firm's internal competitive capability.

3.1 METHODOLOGY

The study adopts the descriptive research design for the study and hence targeting to investigate the mediating role of innovation in the relationship between technology adoption and business process simplification among microenterprises in Jos North Plateau State of Nigeria. This study adapted a quantitative method of research approach. The target population of this study constitutes three thousand two hundred and thirty seven (3237) registered MSMEs engaged only in commerce (source: PLASMIDA, 2023). A sample size of 356 respondents was determined using Yamane formula. The study collected data from primary source. The multiple linear regression analysis was adopted for the testing of hypotheses via the Statistical Package for Social Sciences (SPSS) Statistics 27.



4.1 RESULT/DATA PRESENTATION

Based on the questionnaire, out of the 356 questionnaires that were administered to the respondents, 342 were properly filled and returned. This represent 94.8% retrieval rate. The retrieved questionnaires were properly coded in statistical package for Social Sciences (SPSS v. 27). The data were properly cleaned before analysis. Multiple regressions were used in testing the hypotheses of the study and the results were adequately discussed

Table 2: Respondents Personal Information

	Frequency	Percentage
Gender		
Male	251	73.4
Female	91	26.6
Total	342	100.0
Age		
21-30	166	48.5
31-40	121	35.4
41-50	39	11.4
50 and above	16	4.7
Total	342	100
Education Qualification		
SSCE	120	35.1
Diploma	96	28.1
B.Sc	98	28.7
M.Sc	27	7.9
Total	342	100
Experience		
1-5	115	33.6
6-10	103	30.1
11-15	58	17.0
16-20	42	12.3
Above 20	24	7.0
Total	342	100.0

Source: Field Survey, 2024



Table 2: displays the profiles of the respondents who took part in this study's questionnaire. It indicated that most of MSME owners that have participated are males with 73.4%. Age category 21-30 of the business owners that responded to this research's questionnaire among the 342 participants has the highest value of 166 people that constituted an average of 48.5 of the total number. SSCE holders have the highest frequency of 120 respondents. This analysis shows that most MSME business owners in Jos North are SSCE holders and it implies that people prefer business than furthering education after leaving secondary schools or some factors hinder them to continue with education after living secondary schools. The table also depicted the highest frequency of 115 participants that falls between just 1-5 years of experience in business but constituted the highest percentage figure of 33.6%.

Table 3: Descriptive statistics

Constructs	N	Mean	Std. Deviation
Data management	342	10.1983	1.03381
Internet connectivity	342	11.0200	1.00000
Digital Transformation	342	10.2328	1.83984
Financial technology	342	10.5891	2.90990
Innovation	342	9.5563	1.78323
Business process simplification	342	12.2085	2.23362

Source: Field Survey, 2024

Descriptive statistics in table 3 showed that data management had a mean value of 10.1983 and standard deviation of ± 1.03381 , internet connectivity had a mean value of 11.0200 and a standard deviation of ± 1.0000 , digital transformation had a mean value of 10.2328 and a standard deviation of ± 1.83984 , Financial technology had a mean value of 10.5891 and a standard deviation of ± 1.90990 , innovation had a mean value of 9.5563 and a standard deviation of ± 1.78323 while business process simplification had a mean value of 12.2085 and a standard deviation of ± 2.23362 .



Variables	P-value
Data management	2.100
Internet connectivity	3.120
Digital Transformation	2.010
Financial technology	3.210
Innovation	1.010
Business process simplification	2.000

Table 4: Kolmogorov-Smirnov Test

Source: SPSS v. 27

Table 4 Kolmogorov-Smirnovtest (K-S Test) revealed that the P-value of data management is 2.100, internet connectivity is 3.120, digital transformation is 2.010, financial technology is 3.210, innovation is 1.010 while business process simplification is 2.000 are all greater than significance level or margin of error of .05. Therefore, the data is normally distributed according to Momeni, Gildeh, & Hesamian (2017).

4.2 DATA ANALYSIS AND INTERPRETATION

Table 5: Model Summary

Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate	Durbin-Watson
1	.409 ^a	.432	.496		2.13218	1.904

a. Predictors: (constant), data management, internet connectivity, digital transformation, financial technology

b. Dependent variable: Business process simplification

Source: SPSS v.27

The results of the regressions in the above table giving R square (R^2) value of 0.409 indicate that 40.9% of the variations in business process simplification is explained by variations in data management, internet connectivity, digital transformation and financial technology. Similarly, R square adjusted value of 0.432 indicates that 43.2% of variation in the dependent variable is accounted by variation in the independent variables, all things being equal.



The Durbin-Watson statistics which is employed to check for autocorrelation recorded 1.904 as its value which is within the acceptable threshold. This shows that the variables used in the model are not auto-correlated and are therefore, reliable for predications.

Table 6: Correlations

Correlations

		BPS	DM	IC	DT	FT
Business process simplification	Pearson Correlation	1				0.865
	Sig. (2-tailed)					
	N	342				
Data Management	Pearson Correlation		1		0.865	
	Sig. (2-tailed)					
	N		342		342	342
Internet Connectivity	Pearson Correlation			0.865		
	Sig. (2-tailed)		0.000			
	N		342	342	342	342
Digital Transformation	Pearson Correlation		0.865	0.865	1	
	Sig. (2-tailed)			0.000		
	N		342	342	342	342
Financial Technology	Pearson Correlation	0.865	0.865	1		1
	Sig. (2-tailed)				0.000	
	N		342	342	342	342

Source: SPSS output, Version 27

Table 6 presented the correlation result, the Pearson correlation coefficient was carried out to show the relationship of technological adoption dimensions and business process simplification. The relationship between the two variables revealed a positive correlation coefficient of 0.865** which represents a strong direct correlation between technological adoption dimensions and business process simplification.



Table 7: ANOVA Result

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1173.714	4	193.428	45.540	000 ^b
	Residual	1159.344	343	4.546		
	Total	2333.058	347			

a. Dependent Variable: Business Process Simplification

b. Predictors: (Constant), data management, internet connectivity, digital transformation, financial technology

Source: SPSS v.27

Table 7 above indicates that the F-test which tests the overall significance of the model recorded a value of 45.540 with a probability value of 0.000 which is statistically significant at 0.05 level of significance, indicating that technological adoption dimensions has significant influence on business process simplification.

4.3.1 Hypotheses Testing

This hypothesis was examined through the use of multiple regression analysis to ascertain the level to which data management, internet connectivity, digital transformation, financial technology and innovation influences business process simplification among microenterprise. The ANOVA table above shows that overall, regression is of good fit, standardized multiple linear regressions were conducted to statistically test the earlier hypothesized relationships restated above; The regression analysis is presented in the table below:



Table 8: Coefficients of regression Result

Model	Unstandardized Coefficient		Standardized Coefficients		Sig.
	B	Std. Error	Beta	T	
(Constant)	3.882	.956		4.058	.000
Data management	.461	.027	.087	17.07	.002
Internet connectivity	.312	.046	.014	6.783	.001
Digital Transformation	.405	.042	.683	9.643	.000
Financial technology	.240	.042	.177	5.714	.001

a. Dependent variable: Business process simplification

Source: SPSS v.27

4.3.2 Hypotheses Analysis

However, the regression table in table 8 above shows that for H1, the p-value ($=.002$) is lesser than p-value ($=.05$), therefore, we accept the null hypothesis, thus data management technology recorded a t-statistic value of 17.07 with a probability value of 0.002 which is statistically significant at 0.05 level of significance. Therefore, the null hypothesis was rejected, while the alternative hypothesis was accepted. In H2, Internet connectivity technology records positive coefficients with business process simplification ($\beta = 0.312$, $t = 6.783$, $p < 0.001$). This implies that Internet connectivity technology has positive effect on business process simplification. The study again revealed in H3 that there is a favorable relationship between digital transformation technology and business process simplification of microenterprises in Jos North LGA, Plateau State with ($\beta = 0.405$; $t = 9.643$, $p < 0.000$). This indicates that digital transformation technology applied by business owners will lead to business process simplification. Based on the result, the null hypothesis is rejected and the alternative hypothesis accepted. The regression table also shows that for H4, the p-value ($=.001$) is lesser than p-value ($=.05$). From the results in table 9 above, financial technology recorded a t-statistic value of 5.714 with a probability value of 0.001 which is statistically significant at 0.05 level of significance. Therefore, the null hypothesis was rejected, while the alternative hypothesis was accepted. Hence, financial technology has significant influence on business process simplification of microenterprises in Jos North LGA, Plateau State.

Moreover, the study also conducted a mediation effect using Process by Andre Hayes, to test using the coefficients and their corresponding standard error revealed ($b = 0.112$, 0.029 , $t = 8.501$, 7.163). Meaning that results in Table 10 showed that innovation influences business owners and can be predicted by technology adoption and business process simplification of microenterprises in Jos North LGA, Plateau State. Mediation effect analysis summary is presented in table 10 below.



Table 9: Mediation Result
Model Summary

Relationship	Total Effect	Direct Effect	Indirect Effect	Confidence Interval		t statistic	Conclusion
				Lower Bound	Upper Bound		
TA > INNO > BPS	0.379	0.059	0.320	0.013	0.107	5.781	

Process Output for mediation

4.4 DISCUSSION OF FINDINGS

4.4.1 Data Management and business process simplification

The research question for hypothesis one is a null hypothesis. However, the result from the regression analysis showed a positive significant relationship between data management technology and business process simplification. Hence, the null hypothesis was rejected and thus we concluded there is a statistically significant relationship between data management technology and business process simplification of microenterprises in Jos North LGA, Plateau State, because as data management technology is adopted by small businesses, it increases business process simplification, and based on these results H1 was rejected. The findings of this study was in agreement with the study done by Juniarti and Omar Aziza (2021), who established that technology adoption via data management improves business processes.

4.4.2 Internet Connectivity and business process simplification

The research question for hypothesis two is a null hypothesis. However, the result from the regression analysis showed a positive significant relationship between internet connectivity technology and business process simplification of MSMEs in Jos North LGA, Plateau State. Hence, the null hypothesis was not supported and thus we concluded there is a statistically significant relationship between internet connectivity technology and business process simplification of MSMEs in Jos North LGA, Plateau State. This finding is in agreement with the findings of Davalos (2023), who observed that correct implementation of ICT based on specific needs has a positive impact on the administrative performance of microenterprises.

4.4.3 Digital transformation and business process simplification

The research question for hypothesis three is a null hypothesis. However, the result from the regression analysis showed a positive significant relationship between digital transformation technology and business process simplification of microenterprises in Jos North LGA, Plateau State. Hence, the null hypothesis was not supported and thus we accepted the alternate hypothesis. The finding is also in line with the proposition of Karakara and Osabuohien (2020) that suggests



that ICT adoption enhances the innovativeness of informal firms in West Africa, using the cases of Ghana and Nigeria.

4.4.4 Financial Technology and business process simplification

The research question for hypothesis four is a null hypothesis. However, the result from the regression analysis showed a positive significant relationship between financial technology and business process simplification of microenterprises in Jos North LGA, Plateau State. Hence, the null hypothesis was not supported and thus the study concluded there is a statistically significant relationship between financial technology and business process simplification because as financial technology increases among micro businesses, business process simplification increases, and based on these results H4 was rejected. The finding supports the previous studies, mentioning that financial technology influences business process simplification (Nikmah et al., 2021).

4.4.5 Innovation mediating in the relationship between technology adoption and business process simplification

The research question for hypothesis five is a null hypothesis. However, the result from the regression analysis showed a positive mediating effect between Innovation, technology adoption and business process simplification. Hence, the null hypothesis was not supported and thus the study concluded there is a mediating effect on the relationship between Innovation, technology adoption and business process simplification because as innovation increases, there is a corresponding effect on technology adoption and business process simplification, and based on these results Ho5 was rejected. The finding confirms the conclusion by Shabrina, Priyanto and Fadilla (2022), mentioning that innovation mediates the influence of technology and salient way of conducting businesses.

5.1 CONCLUSION

The findings of this study concluded that technology adoption lead to business process simplification. The present study aimed to examine the role of innovation in mediating the relationship between technology adoption and business process simplification among micro enterprises in Jos North LGA of Plateau State. Additionally, the study has also considered the mediating role of the innovation between the association of the independent variable predictors (data management, internet connectivity, digital transformation and financial technology) and dependent variable (business process simplification). Adoption of technology provides numerous benefits to micro enterprises by increasing their productivity and reducing their cost of production. There are, however, some challenges impeding technology adoption by these micro enterprises. Therefore, this research critically reviewed previous studies on technology adoption in these enterprises to enable researchers and developers to understand the most relevant factors and suitable models to determine users' acceptance of technology in a particular field, which covers the development of appropriate technology that will lead to business process simplification from its original to the extended model and the subsequent application in studying technology adoption. The value added by this research is the determination of the most common variables used based on the type of technology related to certain fields and this is expected to enable the development of an appropriate framework to study technology adoption in a specific field of technology for microenterprises in the future research. However, several limitations were



discovered, and these include the restriction of the scope to only micro enterprises, the inability to review articles from high reputable journals due to limited access, and the adoption of an integrative approach which may lack transparency regarding the reviewing process.

5.2 RECOMMENDATIONS

Based on the research findings the following recommendations are made:

1. Business owners should engage their employees in various skill development programs such as e-payment, fintech, internet penetration as this will enhance the business data management among micro enterprise.
2. Internet connectivity should be aligning with the structures and facilities that will enhance business simplification process through updated internet connectivity.
3. Digital transformation approach such as e-book keeping should be embedded in the business culture for business owners to increase ideas and cognitive dimensions of business simplification that will gear towards business success.
4. There is need for the business owners and various stakeholders that more innovative activities such as development of new products, adding value to existing products, seeking out new ways to do things and exploration of new markets must be used by owners/managers of micro enterprise to improve upon their performances.
5. Further studies is recommended by using longitudinal approach, qualitative approach or comparative, and that future researchers can extend the context to other local governments of Plateau State and across Nigeria.

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