

## ABSTRACT

It has been argued that small business can improve their organizational performance and increase their competitiveness with computer-based information systems. This study is conducted on the issue of how a software package is selected and what factors affect the decision. The purpose of this research is to investigate the relationship of individual characteristics in terms of level of computer literacy, software package experience, position in the organization and the perceived importance decision criteria in selection software package.

A descriptive research model is developed and tested using data collected from a questionnaire survey of 162 small manufacturing businesses. The target population in this study is top management of small business listed in the official website of [www.smethai.co.th](http://www.smethai.co.th). For data analysis, frequency distribution is used for descriptive statistics. Correlation coefficient is carried out to examine the association between individual characteristics of decision maker and the perceived importance criteria for software package selection. In addition, Two-sample t-test is employed to study differences of owners/managers of small businesses and the software selection criteria.

The main findings are: (1) software characteristics and vendor's capability are important factors considered by the owners/managers of small businesses in the choice of software package; (2) owners/managers who have a relatively high level of computer literacy tend to emphasize more factors with a technical nature; (3) those who have more experience in purchasing software package tend to give more weight to the importance of the capability of the vendor, and (4) owners tend to look at the technical factors more seriously while managers tend to emphasize more on non-technical factors when making the software selection decision.