

# **A Framework Validation using SmartPLS: Empirical Evidence of Small Business Owners in a Digitized Economy**

**<sup>1</sup>Muhammad Faizal Samat, <sup>2</sup>Norazlan Anual, <sup>3</sup>Nur Amalina Awang**

*<sup>1</sup>Faculty of Business and Management, Universiti Teknologi MARA*

*<sup>2</sup>Faculty of Business and Management, Universiti Teknologi MARA*

*<sup>3</sup>Akademi Pengajian Bahasa, Universiti Teknologi MARA*

## **Abstract**

In the dynamic and increasingly digitalized global economy, Small Business Owners (SBOs) are confronted with the need to innovate and transform their business models to stay competitive. The present study aims to validate a model that captures the impact of digital technologies on the business performance of SBOs, focusing on technological support, organization support, government support, and learning orientation as key drivers. Anchored in structural equation modeling, this research utilizes SmartPLS to analyze data from 141 SBOs across various industries in Malaysia. The study's central hypothesis posits that SBOs' engagement in strong learning orientation positively correlates with their overall performance. By adopting these strategic approaches, SBOs are thought to enhance their market reach, innovation capacity, and operational efficiency, thereby securing a more sustainable and profitable future in the digitized market landscape. Empirical findings gleaned through the SmartPLS model support the hypothesis, revealing that SBOs fostering a culture of continuous learning and adaptation significantly outperform their less proactive counterparts. The validated model demonstrates the utility of digital technologies among SBOs and their continuous learning orientation, with direct benefits to their competitiveness and sustainability. This research contributes to the extant literature by providing a validated framework that delineates the nexus between digital transformation and learning orientation within SBOs, offering a practical reference for such businesses aiming to thrive in the digital age. Additionally, it paves the way for future empirical work to explore the nuances of this relationship and advises policymakers and business leaders on devising targeted strategies to harness digital technologies for business growth and environmental stewardship.

**Keywords:** Small Business Owners, Learning Orientation, Digital Economy, Sustainable Entrepreneurship