CHAPTER 3

INNOVATION PRACTICES BY MALAYSIAN SMEs

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Abstract

This chapter examines innovation practices among SMEs in Malaysia. Innovation in this study is characterised in terms of the product, process and managerial innovation of the organizations. Among results of the study: product/service innovation is practised the most amongst the SMEs, middle-sized SMEs are doing better in comparison with other SMEs across all three dimensions of innovation, and process innovation is crucial for improvement in business performance.