

ABSTRACT

The emergence of Electronic Data Interchange (EDI), as a standard method of international trade information interchange, has serious implications within the Malaysian context. EDI has not only become an instrument to create new opportunities or to gain a competitive edge, EDI has also become such a "mandatory" standard technology that those countries whose organisations do not soon adopt EDI, will gradually fall out from the mainstream of international trade competition. The adoption of EDI is recognised by the Government of Malaysia as one of the necessary prerequisites to achieve the nation's trade promotion goals and strategies identified in the Outline Perspective Plan Two (OPP2), and the Sixth Malaysia Plan (SMP).

This study will attempt to establish a profile of EDI usage at the Port Klang Authority, as a facilitator of trade, with special mention of the " Port Klang Community System", (PKCS). The paper will attempt to determine the cost-benefits of the implementation of the PKCS, by evaluating the costing involved, in relation to certain variables of the operations of this network. The variables that this study has elected are, the time-saving element, cost-effectiveness of reduced paper documentation in trade , and labour-cost effectiveness, with EDI and without EDI.

The overall results have indicated that there is a favourable perception and appreciation of the benefits of EDI application, especially in the areas of information

accuracy, substantially less paperwork, timeliness and completeness, and most of all a definite cost effectiveness in the regions of labour usage, overheads and materials.