

ABSTRACT

Realizing the fact that telecommunication services would be a major economic development of the country, the government privatized its telecommunication services. On January 1, 1987, Syarikat Telekom Malaysia was incorporated to undertake the operational functions of providing, operating and maintaining telecommunication services. Jabatan Telekom Malaysia continued the functions and was given the role of a regulatory body. It is empowered to regulate the nation's telecommunications industry. The government continued its liberalization efforts to enhance competition and further stimulate the industry to greater heights by introducing of new participants, rapid expansions and greater demands by the users in the mobile, value-added, international and several other services. It is in the hope to be able to meet the country's "Vision 2020" objectives.

This study will trace the progress and development of telecommunication services in Malaysia, starting from 1874 until 1994. Jabatan Telekom Malaysia's Telekom Malaysia Berhad's new functions are discussed. Also, the existence of major private telecommunications companies' functions is discussed. Each individual's growth, performance, expansions, additions and development are discussed. Their products, services, promotions and financial too were included in the study. The study is confined within the telephone telecommunications services - both wired and wireless.

The Government's privatization and liberalization policy have created strong competitions among telecommunications operators. It had make all of them to strive their best to achieve each individual's goal and objective. In turn, they are to help the nation to meet the needs of an information society. All the major players in the industry have improved their existing equipments and services. New products and services were introduced too. There are strong competitions by means of offering better and quality service to their subscribers. Malaysia's telephone density rate per 100 population is growing steadily and to have reached 14 per cent in 1994, compared with 13 per cent in 1993.

The results of the research found that telecommunications services are growing very aggressively. Telecommunications industry is young and has many opportunities for business development. However, hugh investments are required and that have created a barrier of entry and exit. There were many difficulties in gathering information from each individual company. They are fear and suspicious that confidential information will be accessed by their competitors. As such, they often classified all information that is available in the company are strictly private and confidential. As such, only secondary data are used in this study.