Appendix

Dear Sir/Madam,

Re: Research Project on " Information Technology Evaluation Practices Among Malaysian Banks"

The attached questionnaire is part of my research on the above-mentioned topic. The objective of my research is to conduct a survey of the IS/IT evaluation practices among Malaysian banks. The focus of this study is mainly on the usage of evaluation techniques at the different stages of system life-cycle development, with particular emphasis on feasibility stage. Leading from there, the research would be investigating some factors that may influence the choice of evaluation techniques selected. The findings of this study would be useful for better understanding of IS/IT evaluation practices.

Therefore, I would be very grateful, if you could spare some time to complete the questionnaire. Below are definitions of some of the terms used in the questionnaire, which may guide you in answering the questions.

Evaluation – process of establishing by quantitative and/or qualitative means the worth of IS/IT projects to the organization.

Feasibility stage – evaluating the financial and non-financial acceptability of a project against defined organizational requirements and assessing the priorities between proposed projects.

Thank you for your participation.

Yours sincerely,

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Ms. Woon Hooi Shyen

Questionnaire for IS/IT Evaluation Practices Ref No

Section A ***Evaluation Stages***

Your department .....

Your position .....

Does your organization evaluate IS/IT projects undertaken?

		Always	Often	Sometimes	Never
a	during feasibility stage	☐	☐	☐	☐
b	during development stage	☐	☐	☐	☐
c	during post implementation stage	☐	☐	☐	☐

Section B *Evaluation methods generally used for IS/IT projects*

Please tick at which stage the following methods are generally used

	Methods	feasibility	develop-ment	post-implementation
	Financial -			
1	Cost/revenue analysis	☐	☐	☐
2	ROI (Return on Investment)/IRR/NPV	☐	☐	☐
3	Cost-benefit analysis	☐	☐	☐
4	ROM (Return on management)	☐	☐	☐
5	Spending ratios	☐	☐	☐
6	IE (Information economics)	☐	☐	☐
	Non-Financial			
7	MOMC (Multi-objective,multi-criteria)	☐	☐	☐
8	Value analysis	☐	☐	☐
9	Critical success factors	☐	☐	☐
10	Experimental methods	☐	☐	☐

11 Other methods, please specify ....

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Notes

ROM	ROM method sets out to establish the increase in management productivity, measured as value added by management which can result from the introduction of new systems.
Ratios	Ratios are normally based on total expenditure against known aggregate values eg. total IT expenditure against the value of sales
IE	Information economics, ROI is used plus a more complex report based on a ranking and scoring technique of intangibles and risks.
MOMC	A measure of value (other than monetary value) is given to output from the proposed system. Stakeholders weight their preferences. Decision is based on the system which provides the highest satisfaction. Therefore, intangibles are evaluated
Value analysis	Relevant variables and their values are identified. Focus on benefits rather than cost. Takes into account intangibles and risk. Eg Delphi approach to identify values
CS Factor	Senior management define the critical success factors, usually done via interview IT system should then address these critical issues
Experiment	Eg. using prototyping, simulation or role playing to reduce uncertainty

Section C *Evaluation Methods used during* ***feasibility stage***

I Indicate the level of importance of using the following methods during feasibility stage

5=most important 4=important 3=quite important 2=not important 1=not important at all

	Methods					
i	Cost/revenue analysis	5	4	3	2	1
ii	ROI (Return on Investment)/IRR/NPV	5	4	3	2	1
iii	Cost-benefit analysis	5	4	3	2	1
iv	ROM (Return on management)	5	4	3	2	1
v	Spending ratios	5	4	3	2	1
vi	IE (Information economics)	5	4	3	2	1
vii	MOMC (Multi-objective,multi-criteria)	5	4	3	2	1
viii	Value analysis	5	4	3	2	1
ix	Critical success factors	5	4	3	2	1
x	Experimental methods	5	4	3	2	1

Section D Similarity of evaluation methods among different IS/IT projects at **feasibility stage**

1 Does your organization use the same evaluation methods for all types of IS/IT projects? Please tick Yes or No for each of the following

	Yes	No
Same evaluation methods used for all types of system	☐	☐
Ranking of evaluation methods is the same for all types	☐	☐

2 If the answer to either question is No, please explain briefly

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3 Based on system characteristics, how important are these evaluation methods? Please circle the appropriate number which indicate the level of importance as in:- 5=most important 4=important 3=quite important 2=not important 1=not important at all

	System Characteristics	Methods					
i	Mandatory type [must-have and decision based on choosing alternative designs]	Cost/revenue analysis	5	4	3	2	1
		ROI (Return on Investment)/IRR/NPV	5	4	3	2	1
		Cost-benefit analysis	5	4	3	2	1
		ROM (Return on management)	5	4	3	2	1
		Spending ratios	5	4	3	2	1
		IE (Information economics)	5	4	3	2	1
		MOMC (Multi-objective,multi-criteria)	5	4	3	2	1
		Value analysis	5	4	3	2	1
		Critical success factors	5	4	3	2	1
		Experimental methods	5	4	3	2	1
ii	Value adding type [system is intended to improve some aspect of the business]	Cost/revenue analysis	5	4	3	2	1
		ROI (Return on Investment)/IRR/NPV	5	4	3	2	1
		Cost-benefit analysis	5	4	3	2	1
		ROM (Return on management)	5	4	3	2	1
		Spending ratios	5	4	3	2	1
		IE (Information economics)	5	4	3	2	1
		MOMC (Multi-objective,multi-criteria)	5	4	3	2	1
		Value analysis	5	4	3	2	1
		Critical success factors	5	4	3	2	1
		Experimental methods	5	4	3	2	1

	System Characteristics	Methods					
iii	Strategic type [system is for gaining competitive advantag enabling new ways of managing]	Cost/revenue analysis	5	4	3	2	1
		ROI (Return on Investment)/IRR/NPV	5	4	3	2	1
		Cost-benefit analysis	5	4	3	2	1
		ROM (Return on management)	5	4	3	2	1
		Spending ratios	5	4	3	2	1
		IE (Information economics)	5	4	3	2	1
		MOMC (Multi-objective,multi-criteria)	5	4	3	2	1
		Value analysis	5	4	3	2	1
		Critical success factors	5	4	3	2	1
		Experimental methods	5	4	3	2	1
iv	Business transformation type [system is to turn the company around]	Cost/revenue analysis	5	4	3	2	1
		ROI (Return on Investment)/IRR/NPV	5	4	3	2	1
		Cost-benefit analysis	5	4	3	2	1
		ROM (Return on management)	5	4	3	2	1
		Spending ratios	5	4	3	2	1
		IE (Information economics)	5	4	3	2	1
		MOMC (Multi-objective,multi-criteria)	5	4	3	2	1
		Value analysis	5	4	3	2	1
		Critical success factors	5	4	3	2	1
		Experimental methods	5	4	3	2	1

Thank you for your participation

Ref no.

Section E *Importance and satisfaction on evaluation methods used during **feasibility** stage*
(to be answered by various stakeholder groups)

Organizational details

Your department .....

Your qualification .....

Your role in the IS/IT project.
Please tick the most appropriate group you belong to.

Champion/Project manager ☐

System people ☐

Finance people ☐

Supporting department ☐

Users ☐

The following describe activities undertaken during feasibility evaluation.
Please indicate the level of importance of each activity.

5=most important 4=important 3=quite important 2=not important 1=not important at all

1	Use cost and management accounting procedures or methods to analyse cost and revenue	5	4	3	2	1
2	Estimate the costs of developing, implementing and operating the system and compare with the value of the benefits the new system is to generate	5	4	3	2	1
3	Use formal investment appraisal techniques to measure ROI such as NPV or DCF	5	4	3	2	1
4	Use available accounting data to estimate cash flow	5	4	3	2	1
5	Impute money value for each element which contribute to the cost and benefits of the IS/IT project	5	4	3	2	1
6	Find some surrogate measure for intangible cost or benefit which can be expressed in money terms	5	4	3	2	1

		most important				not important at all
7	Estimate cash flows based on notional valuations (besides known accounting data)	5	4	3	2	1
8	Measure increase in management productivity as measured by value added by management as a result of the new system (Values derived from standard accounting data and non-financial data held by the organization)	5	4	3	2	1
9	Compute ratios of total expenditure for the IS/IT project and measured against known aggregate values such as value of sales, total labour cost, total operating expenditure, total value of assets or value of deposits	5	4	3	2	1
10	Risk and intangibles cost/benefits are ranked and scored, whereby these informtion forms a part of the evaluation decision making process	5	4	3	2	1
11	Besides normal ROI, analysis, intangible cost/benefits are taken into consideration	5	4	3	2	1
12	The value of a set of system proposals are being assigned with a measure of utility where utility is defined as the satisfaction of an individual's revealed preferences	5	4	3	2	1
13	Project team is given the opportunity to express their preferred system features and consensus is achieved through discussion and exploration	5	4	3	2	1
14	Preferences of team members are evaluated and system is chosen based on the highest satisfaction in terms of weighted preferences	5	4	3	2	1
15	Establish value of the proposed system,such as better information, therefore, better decision making	5	4	3	2	1
16	More focus of value analysis on the benefits rather than on the cost	5	4	3	2	1
17	Explore with senior management factors which in their opinion are critical to the success of the business	5	4	3	2	1
18	Examine the extent to which the proposed system can be used to support the senior management in dealing with the critical issues	5	4	3	2	1
19	Use of prototyping to test and evaluate the proposed system	5	4	3	2	1
20	Use of simulation to assess the proposed system	5	4	3	2	1

Thank you for your participation