IT AND PRODUCTIVITY IN MALAYSIA: FIRM-LEVEL EVIDENCE

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Table Of Content
List of Diagrams iii
List of Tables iii
Abstract iv
Acknowledgements v

1 THE PRODUCTIVITY FRAMEWORK 1
1.1 The Productivity Scenario 1
1.2 Productivity Analysis in Malaysia 4
1.3 The Framework 6
1.4 Scope of Study 9
1.5 Research Approach and Methodology 10

2 LINKING PRODUCTIVITY AND INFORMATION TECHNOLOGY 13
2.1 Productivity and Information Technology 13
2.2 Measuring Returns from IT Investment 20

3 IT IMPLEMENTATION 27
3.1 IT Implementation in Asia 27
  3.1.1 Case Studies of IT Application in Manufacturing Sector 27
  3.1.2 IT Application in the Malaysian Industries 30
3.2 The Productivity Paradox 36

4 CASE STUDY 41
4.1 Manufacturing Sector 41
  4.1.1 Background of Company 41
  4.1.2 IT Implementation 41
  4.1.3 Impact of IT Implementation 43
  4.1.4 Productivity Analysis 45
4.2 Service Sector 47
  4.2.1 Background of Company 47
  4.2.2 IT Implementation 47
  4.2.3 Impact of IT Implementation 49
  4.2.4 Productivity Analysis 51
4.3 A Review of Performance 53

5 CONCLUSION 54
5.1 The Importance of Measuring IT Performance 54
5.2 The Role of IT in Total Factor Productivity 57
5.3 Shortcomings of the Study 64
Appendix 1  General Linkages Among the Various Productivity Ratios  65
Appendix 2  Sample of Questionnaire  66
Bibliography  69
## List of Diagrams

<table>
<thead>
<tr>
<th>Diagram</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The Productivity Framework</td>
<td>8</td>
</tr>
<tr>
<td>2</td>
<td>The Relationship between IT and Productivity</td>
<td>15</td>
</tr>
<tr>
<td>3</td>
<td>Finding IT Value – A Cost/Contribution Framework</td>
<td>22</td>
</tr>
<tr>
<td>4</td>
<td>Sources of Technical Progress</td>
<td>59</td>
</tr>
<tr>
<td>5</td>
<td>Contribution of CI and TFP to Higher Productivity, 1990-2000</td>
<td>60</td>
</tr>
</tbody>
</table>

## List Of Tables

<table>
<thead>
<tr>
<th>Table</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Extent of IT Usage in Administrative Activities</td>
<td>32</td>
</tr>
<tr>
<td>2</td>
<td>Extent of IT Usage in Supporting and Primary Activities</td>
<td>33</td>
</tr>
<tr>
<td>3</td>
<td>Problems in IT Implementation</td>
<td>36</td>
</tr>
<tr>
<td>4</td>
<td>Benefits in IT Implementation</td>
<td>37</td>
</tr>
<tr>
<td>5</td>
<td>Productivity Indicators of M1 in 1998</td>
<td>48</td>
</tr>
<tr>
<td>6</td>
<td>Productivity Indicators of S1 in 1997</td>
<td>54</td>
</tr>
</tbody>
</table>
ABSTRACT

The research paper would attempt to measure the emerging digital economy, in terms of analysing the impact of information technology on the productivity of organisations. Specifically, it would look into the aspect of productivity measurement, albeit indirect measures, whether the investment in IT yields the desired effect on productivity performance. Several case studies that have been conducted, related to the subject matter, are examined to look at the success stories of IT implementations.

The paper would also analyse the phenomenon of “productivity paradox”, the missing linkage between IT investment productivity performance. Finally, the significance of IT, as a source of technical progress, in enhancing the Total Factor Productivity, is also addressed.
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