A Study on Technology Region Success Factors with Comparative Analysis on the Multimedia Super Corridor

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Executive Summary

Technology regions refer to regions which have densely packed technology companies and their associated supporting industries with some of those companies having achieved immense success so that they can be considered world class.

This paper firstly looks at Malaysia's economic evolution and underscores the case for Malaysia's need to transform itself from a low wage manufacturing economy to a knowledge economy. Competition from other low wage countries such as Thailand, Indonesia and China is diverting investment in the manufacturing sector and eroding Malaysia's competitiveness causing growth to slow. To counter the anticipated manufacturing slowdown, the country needs to move up the value chain in providing higher value add services of which the Multimedia Super Corridor (MSC) is seen as the vehicle.

The concept of technology regions is then explored and its importance explained followed by a detailed description of the MSC. Case studies are conducted on Silicon Valley and Bangalore both established technology regions in order to identify their underlying success factors.

Based on those factors, a new set of factors is developed in order to assess the MSCs progress so far. Recommendations are also proposed on possible steps the government can take in order to increase the success of the MSC.

This report draws on:

- Secondary data from journals, articles, reports, books and internet websites

- Interviews with staff from Multimedia Development Corporation (MDC) and Multimedia University (MMU)

CONTENTS

Contents