

IBM MALAYSIA:

*A STUDY ON THE
PUBLIC SECTOR MARKET*

*A Paper submitted to the School Of
Business and Management, MARA
Institute of Technology in partial
fulfillment of the requirements for
Advanced Diploma In Business Studies
(Marketing)*

Date: 15th. November, 1991

By: Mashitoh bt Hj.Arshad

ITM No: 89605252

For: Industrial Attachment, BM20

Advisor:En.Alwi Shabudin

Executive Summary

Government legislation plays an important role in information technology industry decision making. Organizations in the public sector are designed to be rational. However, the individuals in the organisations have their own ambitions, fears, fantasies and emotions, and managements in different organizations have their own style.

The salient global trends of Information Technology are as follows:

- # Information Technology is permeating into all other economic sectors and act as a key competitive tool in these sectors.
- # Information technology production and services is becoming the biggest and fastest growing economic sector.
- # Competition in Information Technology industries is becoming increasingly global.
- # Strong government intervention and support of national information technology industries is increasingly evident.

The identification of problem areas in the public sector in computerisation projects could perhaps point out what IBM need for planning not only customer targets but also competitors' targets at various level of government ministries and non-profit markets that buy product and services in order to provide public services or transfer these products and services to others who need them.

ACKNOWLEDGEMENT

First and foremost I would like to express my appreciation and gratitude to both of my lecturer/advisor En.Neguib Ibrahim and Encik Alwi Shabudin and IBM Supervisor Encik Ridzwan Abdul Rahman (Government Programs Specialist) for their guidance and advice in preparation of this project paper. Their guidance and advise have been invaluable in making this paper a success.

I am indebted to numerous individuals/ government ministries and departments who have given me the beneficial of consultations. Particularly I would like to acknowledge the advice and comments given in the various parts of the project paper by En.Mohd Amin, Timbalan Pengarah Teknologi Maklumat MAMPU, Jabatan Perdana Menteri; En. Ibrahim bin Shamsudin, Timbalan Pengurus Pusat Teknologi Maklumat, Kementerian Kesihatan; En.Jamal Ibrahim IBM Marketing Manager Public Sector Branch.

My beloved family who has given me the inspirations and encouragement from the inception of this project. My sincere thanks to all.

Needless to say, all matters of analysis, interpretation, judgement, opinion, error or omission are entirely my responsibility.

TABLE OF CONTENTS

Acknowledgement	Page (I)
Table of Contents	(II)
Executive Summary	(IV)

CHAPTER

1. INTRODUCTION	1
1.1 The Profile of Malaysia's Information Technology Industry	
1.2 Objectives of the Study	
1.3 Importance of the Study	
1.4 Scope of the Study	
1.5 Defination of Terms	
1.6 Methodology	
2. CONTENT	10
2.1 Historical Perspective of IBM Worldwide	
2.2 IBM Organisation Structure	
2.3 Overview of IBM Malaysia	
2.3.1 The Objective of IBM Malaysia	
2.3.2 IBM Malaysia Organisation Structure	
2.3.3 IBM Malaysia Activities	
2.3.4 The Company Target Market	
2.3.5 IBM Public Sector Marketing Strategy	
2.3.6 Competitive Situation	

2.4 Public Sector Market Situation	
2.4.1 The Objective of Government Buying Decision	
2.4.2 Major Influencer in Government Buying Process	
2.4.3 Problems Areas in Computerisation Projects	
3. SWOT ANALYSIS	42
3.1 Strength	
3.2 Weaknesses	
3.3 Opportunities	
3.4 Threats	
4. RECOMMENDATION	45
5. CONCLUSION	48
6. BIBLIOGRAPHY	
7. APPENDICES	