

**GOVERNMENT ROLES IN ENHANCING  
EXPORTS: A STUDY OF THE MINISTRY OF  
INTERNATIONAL TRADE AND INDUSTRY (MITI)  
MALAYSIA  
EFFECTIVENESS**

**SHAHIRAH BINTI MOHAMAD**

**Submitted in Partial Fulfillment  
of the Requirement for the  
Bachelor of Business Administration  
(Hons) International Business**

**FACULTY OF BUSINESS MANAGEMENT  
UNIVERSITI TEKNOLOGI MARA  
MELAKA**

**2006**

## **ACKNOWLEDGMENT**

Praise to Allah S.W.T for giving me the strength against all barriers in completing this project paper.

In completing this project paper, the needs of efforts and commitment are important. It also involves continuous works so that the project paper can be completed at the right time. Moreover, the interest to the topic that wanted to be delivered is the vital reason when doing the project paper

I hereby, would like to express my gratitude to my advisor, Assoc. Prof. Dr. Abd. Halim Bin Mohd Noor for inspiring me to pursue with my project paper right up from the initial stage until the final stage. I also like to express my gratitude to my examiner, Assoc. Prof. Maheran Binti Katan for her comments and critics.

This appreciation also goes to my beloved family who has encouraged me from the beginning in every possible way in all aspects throughout my life.

Last but not least, to all my classmates and those that I have not mentioned here, thank you for all your kindness, helpfulness and courage that make it possible for me to complete this project paper.

Thank you

## TABLE OF CONTENTS

	PAGE
ACKNOWLEDGEMENT	iv
LIST OF TABLES	vii
LIST OF FIGURES	viii
ABSTRACT	ix
<b>CHAPTER 1</b>	
<b>INTRODUCTION</b>	
1.0 Introduction	2
1.1 Introduction to Research	2
1.2 Background of The Study	6
1.2.1 MITI Organization Structure	7
1.2.2 The Export Scenario	9
1.3 Problem Statement	9
1.4 Objectives of The Study	11
1.5 Research Questions	12
1.6 Scope of The Study	12
1.7 Limitations of The Study	13
1.7.1 Time Constraint	13
1.7.2 Co-operation Constraint	13
1.8 Significance of The Study	13
1.8.1 The Organization (MITI Malaysia)	14
1.8.2 The Exporter	14
1.9 Definitions of Terms	14
<b>CHAPTER 2</b>	
<b>LITERATURE REVIEW</b>	
2.0 Introduction	18
2.1 Government Roles	18
2.2 Exports for the Small and Medium Business	19
2.3 Measuring Effectiveness	20
2.4 Service Quality	21
2.5 Involvement between Government and SMEs	23
2.6 Exporter Perceptions towards Government Assistance	23
2.7 Theoretical Framework	24
2.8 Conclusion	25
<b>CHAPTER 3</b>	
<b>RESEARCH METHODOLOGY</b>	
3.0 Introduction	28
3.1 The Purpose of the Study	28
3.1.1 Descriptive Study	28
3.2 Data Collection	29

## LIST OF TABLE

	<b>PAGES</b>
Table 4.1      Years of Firms' Establishment	36
Table 4.2      Types of Company	37
Table 4.3      Types of Products Exported	40
Table 4.4      Cross-Tabulation between Satisfactions on Services Rendered by MITI with Types of Services	49
Table 4.5      Cross-Tabulation between Satisfactions on Services Rendered by MITI with Frequency of Export per Year	50
Table 4.6      Cross-Tabulation between Satisfactions on Services Rendered by MITI with Number of Year in Using MITI Services	50
Table 4.7      Cross-Tabulation between Frequencies of Export per Year with Types of Services	51
Table 4.8      Cross-Tabulation between Satisfactions on Services Rendered by MITI with Industry Involve	52
Table 4.9      Cross-Tabulation between Satisfactions on Services Rendered by MITI with Involvement in MITI Activities by Exporters	53
Table 4.10      Cross-Tabulation between Satisfactions on Services Rendered by MITI with Increase the Volume of Export	53
Table 4.11      Cross-Tabulation between Effectiveness Incentives And Opportunities in Promoting Export with Frequency Of Export per Year	54

## ABSTRACT

The research is titled “Government Roles in Enhancing Exports: A Study of the Ministry of International Trade and Industry (MITI) Malaysia Effectiveness”. The three objectives of the study is to examine the perceptions of exporters toward the roles played by the Ministry of International Trade and Industry (MITI) Malaysia, to examine the level of involvement between exporters and MITI, and to study MITI’s effectiveness in promoting export.

The scope of study was concentrated on the effectiveness of Ministry of International Trade and Industry (MITI) Malaysia in enhancing Malaysia export. The researcher used descriptive research as the research design and the sampling technique is probability sampling. This study more focused to exporter firms that dealing with MITI Pahang Branch and 40 respondents was selected to fulfill and completed the questionnaires. At the end of the study, based from the findings, it could be said that MITI Pahang branch is quite effective since most of the exporter has fully utilize the services provided by the government agencies and based from the findings several recommendations have been made for the organization and also for future research purpose.