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**INVESTIGATION OF INFORMATION MANAGEMENT STRATEGY  
TOWARDS BUSINESS PERFORMANCE**

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**The thesis is submitted in partial fulfilment of the requirements for the award of  
Bachelor of Technology Management (Technology Innovation)**

**Faculty of Technology Management and Technopreneurship  
Universiti Teknikal Malaysia Melaka**

**JUNE 2019**

## DECLARATION OF ORIGINAL WORK

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## **DEDICATION**

I would like to dedicate the appreciation to beloved parents who supported me from psychologically and monetarily. A special thanks to my supervisor and panel who guided me throughout this research and also thanks to my friends that helped and assisted me through the journey of research.

## ACKNOWLEDGEMENT

First of all, I would like to express my sincere appreciation to my supervisor Dr. Hazmillah Binti Hasan for her supervision and encouragement during the journey finishing this final year project. The full support and perceptive guidance by her empowered me to complete the research efficiently. Also, I would like to thank Ms. Atikah Saadah Binti Selamat for her precious comments and recommendations during final year project presentation.

Additionally, I would like to thank all the previous researchers that carried out the research. The philosophy and information were very valuable for me while completing the research. Furthermore, I would like to express my appreciations to all the respondents who were willing to spend their time in answering the questionnaire. Their contribution allowed me to collect necessary data and input for this research.

Moreover, I would like to express my genuine appreciations to my precious family members and friends for their dearest and unceasing care all over my life. Lastly, I am thankful to all the people who involved both directly and indirectly in this research. I hope this report will be a reference for other researchers in the future and also manufacturing companies.

## ABSTRACT

In this technological era, more and more organization adopt high technology to help in managing the information within organization. The investment of technology is getting higher but there is a problem. There are several researches found out that the effort put in the investment of technology are not producing the equal results in business performance. The issue arises is the technology aspect had been over emphasized but the same attention had not been paid on the management aspect. Thus, there are needs for filling this gap. This research used a descriptive and deductive approach in the investigation. Quantitative research is being used to collect data for analysis. Multiple linear regression is used for data analysis with the use of SPSS software. Findings showed that the growth for information competitiveness is the most significant factor that affect the business performance follow by user satisfaction. The third variable contribution degree to decision making is negatively affecting the business performance.

**Keywords:** *Information Management Strategy, Business performance, Technology, Management*

## ABSTRAK

*Dalam era teknologi ini, semakin banyak organisasi menggunakan teknologi canggih untuk membantu dalam pengurusan maklumat dalam organisasi. Pelaburan teknologi semakin tinggi tetapi ada masalah. Terdapat beberapa penyelidikan yang mendapati usaha yang dilakukan dalam pelaburan teknologi tidak menghasilkan hasil yang sama rata dalam prestasi perniagaan. Masalah yang timbul adalah aspek teknologi telah banyak ditekankan tetapi perhatian yang sama tidak diberi kepada aspek pengurusan. Oleh itu, wujudnya keperluan untuk mengisi jurang ini. Kajian ini menggunakan pendekatan deskriptif dan deduktif dalam siasatan. Penyelidikan kuantitatif digunakan untuk mengumpul data untuk analisis. Regresi linier berganda digunakan untuk analisis data dengan penggunaan perisian SPSS. Dapatan kajian menunjukkan bahawa pertumbuhan untuk daya saing maklumat adalah faktor paling penting yang mempengaruhi prestasi perniagaan, diikuti oleh kepuasan pengguna. Faktor yang ketiga adalah darjah penyumbangan kepada membuat keputusan yang mempengaruhi prestasi perniagaan secara negatif.*

**Kata Kunci:** *Strategi Pengurusan Maklumat, Prestasi Perniagaan, Teknologi, Pengurusan*

## TABLE OF CONTENT

CHAPTER	TITLE	PAGE
	<b>DECLARATION OF ORIGINAL WORK</b>	<b>i</b>
	<b>DEDICATION</b>	<b>ii</b>
	<b>ACKNOWLEDGEMENT</b>	<b>iii</b>
	<b>ABSTRACT</b>	<b>iv</b>
	<b>ABSTRAK</b>	<b>v</b>
	<b>TABLE OF CONTENT</b>	<b>vi</b>
	<b>LIST OF TABLES</b>	<b>xi</b>
	<b>LIST OF FIGURES</b>	<b>xii</b>
	<b>LIST OF ABBREVIATIONS</b>	<b>xiii</b>
	<b>LIST OF SYMBOLS</b>	<b>xiv</b>
	<b>LIST OF APPENDICES</b>	<b>xv</b>
<b>CHAPTER 1:</b>	<b>INTRODUCTION</b>	
	1.0 Background of the Study	1
	1.1 Research Problem	2
	1.2 Research Question	3
	1.3 Purpose of the Study	3
	1.4 Research Objectives	3
	1.5 Significance of Study	4
	1.6 Scope and Limitation of the Study	4
	1.7 Summary	5



<b>CHAPTER 2:</b>	<b>LITERATURE REVIEW</b>	
2.0	Introduction	6
2.1	Definition of Concept	7
2.1.1	Information	7
2.1.2	Management	7
2.1.3	Strategy	8
2.1.4	Information Management(IM)	8
2.1.5	Information Management Strategy(IMS)	9
2.1.6	Business	9
2.1.7	Performance	10
2.1.8	Business Performance	10
2.2	Gap Analysis	11
2.2.1	Technical aspect vs Information Management Strategy	11
2.2.1.1	Failure of Information Management cause by Technology	11
2.2.1.2	Success of Information Management Strategy	14
2.2.2	Data Architecture into useful information	14
2.2.3	Insufficient of Guidance on developing IMS	15
2.2.4	Information Overload	16
2.2.5	Table of Gap Analysis	17
2.3	Theoretical Framework	19

2.4	Conceptual Framework	20
2.5	Hypothesis Testing	21
2.6	Summary	22
<b>CHAPTER 3:</b>	<b>RESEARCH METHODOLOGY</b>	
3.0	Introduction	23
3.1	Research Design	24
3.1.1	Descriptive Research	24
3.1.2	Deductive Research	26
3.1.3	Positivism	27
3.1.4	Quantitative Research	28
3.2	Data Source	28
3.2.1	Primary	29
3.2.2	Secondary	29
3.3	Data Collection Techniques	29
3.3.1	Questionnaire Construct	30
3.4	Sampling Techniques	31
3.5	Definitions of key terms and concepts	32
3.6	Data Analysis	33
3.7	Issues of reliability and validity	34
3.8	Summary	35
<b>CHAPTER 4:</b>	<b>DATA PRESENTATION</b>	
4.0	Introduction	36
4.1	Pilot Test	37
4.1.1	Reliability Test	38
4.2	Descriptive Analysis	39

4.2.1	Background of the Respondents	39
4.2.1.1	Position	40
4.2.1.2	Age	41
4.2.1.3	Working Duration in Current Company	42
4.2.1.4	Education	43
4.2.2	Mean Score Analysis for Variables	43
4.2.2.1	Contribution Degree for Decision Making	44
4.2.2.2	Growth of Information Competitiveness	45
4.2.2.3	User Satisfaction	46
4.2.2.1	Business Performance	47
4.3	Reliability and Validity Analysis	48
4.3.1	Complete Research Responses	48
4.4	Pearson Correlation	49
4.4.1	Contribution Degree for Decision Making	50
4.4.2	Growth of Information Competitiveness	51
4.4.3	User Satisfaction	52
4.5	Inferential Statistics	52
4.5.1	Multiple Linear Regression Analysis	52
4.6	Hypothesis Testing	55
4.7	Summary	57

## **CHAPTER 5: DISCUSSION, IMPLICATION AND CONCLUSION**

5.1	Introduction	58
5.2	Discussion of Descriptive Analysis	59
5.3	Discussion of Objectives and Hypothesis	60
	Testing	
5.3.1	Objective 1: To identify the factor of information management strategy towards business performance.	61
5.3.2	Objective 2: To determine the information management strategy appropriate towards business performance.	62
5.3.3	Objective 3: To propose the significant information management strategy towards business performance.	64
5.4	Implication of Study	65
5.5	Recommendations for The Future Research	66
5.6	Conclusion	67
5.7	Summary	68
	<b>REFERENCES</b>	<b>69</b>
	<b>APPENDICES</b>	<b>73</b>

## LIST OF TABLES

<b>TABLES</b>	<b>TITLE</b>	<b>PAGE</b>
2.0	Table of Gap Analysis	17
3.0	Research Approach	27
4.0	Reliability Test for Pilot Test	38
4.1	Mean Score Analysis for Contribution Degree for Decision Making	44
4.2	Mean Score Analysis for Growth of Information Competitiveness	45
4.3	Mean Score Analysis for User Satisfaction	46
4.4	Mean Score Analysis for Business Performance	47
4.5	Reliability and Validity of all Variables (Complete Research Responses)	48
4.6	Correlation Results of Contribution Degree for Decision Making	50
4.7	Correlation Results of Growth of Information Competitiveness	51
4.8	Correlation Results of User Satisfaction	52
4.9	Model Summary of Multiple Linear Regression Analysis	53
4.10	Regression Analysis on ANOVA	53
4.11	Regression Analysis on Coefficients	54
5.0	Summary of Inferential Analysis	60

**LIST OF FIGURES**

<b>FIGURES</b>	<b>TITLE</b>	<b>PAGES</b>
2.0	Theoretical Framework	19
2.1	Conceptual Framework	20
2.2	Induction and Deduction	26
3.0	Sampling Techniques	32
4.0	Position	40
4.1	Age	41
4.2	Working Duration in Current Company	42
4.3	Education	43

## LIST OF ABBREVIATIONS

IMS	=	Information Management Strategy
IM	=	Information Management
IT	=	Information Technology
KMS	=	Knowledge Management Strategy
TMS	=	Technology Management Strategy
BIS	=	Business Intelligent Systems
EIM	=	Enterprise Information Management
SPSS	=	Statistical Package for the Social Science

## LIST OF SYMBOLS

$H_{0a}$	= Null Hypothesis
$H_{1a}$	= Alternative Hypothesis
$\alpha$	= Constant
R	= Correlation Coefficient
$R^2$	= Coefficient of Determination
CD	= Contribution Degree
IC	= Information Competitiveness
US	= User Satisfaction
BP	= Business Performance



**LIST OF APPENDICES**

<b>APPENDICES</b>	<b>TITLE</b>	<b>PAGES</b>
A	Gantt Chart for PSM 1	70
B	Gantt Chart for PSM 2	71
C	Questionnaire	72
D	Survey Participation Letter	78
E	Survey Approval Letter	80

## **Chapter 1**

### **INTRODUCTION**

#### **1.0 Background of Study**

There are research papers that had demonstrated the most important capital in the world is information. The reason is information is very much needed to provide solution to problem and make decision that have effect on the present but also the future. There is sufficient proof that provide explanation that to what extent of success enjoyed by an organisation and its stakeholders relies heavily on how good the information is being managed. (Osman,2015)

Agu (2018) also support the findings of Osman (2015). She indicates that information is becoming a tactical resource of an organisation. It is the current vision for the information expert to add practical worth to information and provide more straight forward value to an organization's decision-making strategy. On top of that, a research done by Mandal (2018) said that technologies are having increasing effect on organization growth and profitability. But very little understanding of the processes on how the information management is synchronizing with technology. Aligning the information with technology and business strategy. The three scholars above have a similar finding saying that the information technology is getting more and more

sophisticated in supporting business activities and attention has to be on the strategy to manage all the information.

### **1.1 Research problem**

The research problem is to investigate the Information Management Strategy and how it will affect business performance. Information Technology provide a lot information to human but how to convert the information into value in business. A study done by Peng et al.(2016) indicates that firms should avoid the misconception that IT investments are solely responsible for better firm performance.

Another problem raised by Osman (2015) saying that the technical aspect of information management had been over emphasized but equal attention had not been on the managerial aspect. Technical means the technology used in manage information and managerial aspect means the way to manage the information generated from the technology. Organizations are using more and more high technologies to manage their information flow. Therefore, there is a need on the research of how to manage the information by developing an information management strategy (IMS) towards business performance.

## **1.2 Research Questions**

RQ 1: What are the factors contribute to information management strategy (IMS) towards business performance?

RQ 2: What are the appropriate IMS towards business performance?

RQ 3: How IMS are significant towards business performance?

## **1.3 Purpose of the Study**

The purpose of the study is to identify the factors of IMS with the aim to develop an appropriate IMS towards business performance. Technology is getting more advanced nowadays. Organisations are relying more on it to manage information. The information itself does not create value for business performance but the way the information is being interpreted to create meaning and value. This study can be the guideline for developing IMS for a business. Helping decision makers to come out with an effective IMS that suite the company.

## **1.4 Research objectives**

1. To identify the factors of information management strategy towards business performance.
2. To determine the information management strategy appropriate towards business performance.

3. To propose the significant information management strategy towards business performance.

### **1.5 Significance of the Study**

The value of this study is that it provides some insights into the effects of implementing IMS on business performance. It provides a guideline on how to develop an information management strategy and to improve business performance. Making information generated by technology easier to understand and contribute to more accurate and precise decision making. This research also can help organization to improve business performance internally by enhancing the information flow within organization. It also helps to align the IMS with business objectives. Through this study, organization is able to realize the benefits of IMS in this technological era. They are able to expand their company's performance by realizing company's goals and objectives with a well-designed Information Management Strategy. With the execution of IMS, organization is able to decrease their time on processing information. This research is mainly for the decision makers of organisations. The area of research is target on manufacturing industry. Hopefully, this research will serve as reference for future study.

### **1.6 Scope and Limitation of Study**

The scope of this study is conducted to three manufacturing companies in Melaka area, which are Company X and Company Y respectively. Melaka is a place where many international companies invest in. The scale of company varies from small to big. This makes the good choice to carry out this research.

The limitations of this study can be seen from internal and external environment of the companies. Internal limitation is the concept of Information Management Strategy is not getting much attention among manufacturing industry as Information Technology did. The respondents may misinterpret the research objectives and questionnaire while giving responses. The results thus become not accurate and significant. Another limitation is external environment, the small sample size of the three companies are not comparable to the whole manufacturing companies in Melaka. The findings of this research may not be applicable to all of the companies.

## **1.7 Summary**

This chapter gives a brief introduction about the current issue of information management in organization. Technology is taking over in the management of data within an organization. More and more data are managed with the help of technology but there are researches that found out that the financial effort put into the investment of information management technology does not yield the corresponding business performance. Thus, the research on the information management strategy towards business performance is required to fill in the gap of this research.

## **Chapter 2**

### **Literature Review**

#### **2.0 Introduction**

Information is so important to our daily lives and we cannot afford to manage it the wrong way. This applies to both individually and also organisationally. Organisations rely on the management of information to try to see the bigger picture of the business environment. The key activities of business which are planning, analysis, action and above all, learning and development are being reinforced by information management. (Information and knowledge management, 2005) Therefore, it is crucial to manage the information carefully to improve business performance. This chapter first explains the definitions of information management strategy word by word and the phrase. Then the definitions of business, performance and business performance. Follow by the reviews of information management strategy in business performance. The factors that influence success and failure are presented next. The literature review ends with a discussion of models, which are used for effective IM in organizations.

## **2.1 Definition of concept**

### **2.1.1 Information**

Information is defined as data that is accurate and appropriate, precise and systematized for a purpose which leads to an increase in the level of understanding of something. Information is valuable because it can influence behaviour, a decision, or an outcome. (BusinessDictionary,2018).

Another definition by Singleton (2011) said that, information is data systematized into practicality, particularly for policymaking purposes. Information is data that has been authorized as precise and appropriate. It is presented in a situation that gives it meaning and purpose. Information is exact and prepared for a purpose and can provide knowledge that contribute to increase in understanding and decrease in hesitation.

Information is the core subject in this research. It is related to how to manage information within an organization to have better business performance.

### **2.1.2 Management**

Management is such an overused and over popular concept. People use this word and practicing every day. It is broadly used individually and in the organizational world. As being said by Boddy (2017,p 11), management is a general human activity in native, community, and political settings, also in an organisation. “Management is getting work done through others.”(Williams,2018 p 3) It can be seen as having control over something or people to get an assigned task done.