

Information sharing, information quality and usage of information technology (IT) tools in Malaysian organizations

Roimah Omar¹, Ramayah, T.^{2*}, May-Chuin Lo³, Tan Yen Sang⁴, Rusinah Siron⁵

¹Faculty of Business Management, Universiti Teknologi MARA (UiTM) Kampus Bandaraya Melaka (KBM), Melaka, Malaysia.

²Technology Management Lab, School of Management, Universiti Sains Malaysia, Penang, Malaysia.

³Faculty of Economics and Business, Universiti Malaysia Sarawak 94300 Kota Samarahan.

⁴School of Management, Universiti Sains Malaysia, Penang, Malaysia.

⁵Department of Accounting and Finance, Universiti Tenaga Nasional, UNITEN Sultan Haji Ahmad Shah Campus: 26700 Bandar Muadzam Shah, Pahang.

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This study examines the level of information sharing, information quality and usage of information technology (IT) tools among manufacturing companies located in the Northern region of Malaysia. A total of 250 questionnaires directed to the operations and procurement/purchasing managers were distributed through electronic mail. The results indicate that manufacturing firms recognized the importance of information sharing, information quality and IT tools usage in the context of supply chain management. The usage of IT tools is between moderate to high. Overall, the results provide insights into the types of information shared between manufacturers and suppliers, the aspects of information quality emphasized as well as the IT tools utilized by the manufacturing firms.

Key words: Information sharing, information quality, information technology, Malaysian organizations.

INTRODUCTION

Uncertainties in the global business environment have transformed the landscape of business competition from being predominantly firm-based to supply chain competition. Consequently, many firms have realized the imperativeness and benefits of collaborating with supply chain partner as opposed to adversarial or arms length relationship as a way to improve supply chain management. Closer relationship would result in information sharing among the supply chain partners and "seamless" functioning of supply chain (Mason-Jones and Towill, 1997). Effective supply chain management enables firms to coordinate and integrate the various flow (physical, financial and information) in the supply chain (Lee, 2000). Information flow facilitates the coordination

and synchronization of supply chain processes which relates to the planning, sourcing, manufacturing and delivery or return of goods along the chain (Lee, 2000). Information sharing among supply chain influences the supply chain members' behavior and decision making as well as the performance in supply chain. Availability of information at the right time and place is essential to ensure the seamless flow of supply chain activities and processes (Childehouse et al., 2003). Quality of information would assist firms to improve information exchange among supply chain partners (Moberg et al., 2002). Conversely poor information quality can distort the information flow in supply chain. Synchronization of demand and supply in supply chain can be affected without timely and reliable information and the support of IT system. The application of information technology (IT) facilitates information sharing by enabling firms to access or exchange information quickly and helping firms to

Corresponding author. E-mail: ramayah@gmail.com.