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A RESEARCH ON BENEFIT OF INFORMATION SYSTEMS IN PUBLIC LISTED COMPANIES IN JAKARTA

Novianni 0800754891

Abstract

Objectives

Public listed manufacturing, financial and service companies have spent sums of money to implement and improve their information systems. This is then important to know whether this kind of spending would be really worth it. For that purpose, this research is conducted. This research will basically prove whether information systems can help increase their profits. If information systems do so, it can then be concluded that it would be worth spending a certain amount of money in information systems.

Method

To investigate this financial benefit, correlation studies from the last three years (2005 – 2007) are carried out. This study takes information system as the independent variable and profit as the dependent variable. To perform the correlation studies between those two variables, scatter diagram and Spearman rank correlation coefficient are utilized. Since there are three different industries which are involved in this research, the correlation studies are performed based on all industries together and also each individual industry.

Results

The results of the statistical analyses reveal the facts that information systems and profits are positively correlated and it pertains to all public listed manufacturing, financial and service companies. However, the strength of this correlation is weak. When deeper analyses are performed, such positive correlations are only found in the financial and service industry. There is no correlation between information systems and profits in the manufacturing industry. This may be the reason of why the positive correlation is weak when the analyses brought all industries together.

Conclusion

Since positive correlations are only found in the listed financial and service companies, their information systems can thus help increase their profits. It would be worth then for them spending money in information systems. However, it would not be worth for listed manufacturing companies spending a certain amount of money in information systems.

Key words

Information systems, financial benefit (profit), public listed companies (manufacturing, finance, and service)

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It is realized that this thesis has still many disadvantages. Due to this reason, any critic or suggestion to improve this thesis will be highly appreciated. However, the author still expects that this thesis can deliver benefits to the public listed companies, lecturers, students and anyone who has read this thesis.

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