

**FACTORS IN ACHIEVING TECHNOLOGY  
TRANSFER PROJECT SUCCESS:  
A CASE STUDY OF THIRD PARTY CLAIMS  
ADMINISTRATION IN MALAYSIA**

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**SUPERVISOR'S DECLARATION**

I hereby declare that I have checked this project and in my opinion, this project is adequate in terms of scope and quality for the award of the degree of Bachelor of Project Management with Honors.

Signature :

Name of Supervisor :

Position :

Date :

**STUDENT'S DECLARATION**

I hereby declare that the work in this project is my own except for quotations and summaries which have been duly acknowledge. The project has not been accepted for any degree and is not concurrently submitted for award of other degree.

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## ABSTRACT

Technology transfer is a complicated process that assisting the claim administration to deal with the complexity and efficiency of projects as well as the increasing demands and satisfaction of clients. Many developed countries that had raised their fund for technology transfer investment, it resulted that the productivity has increased within their claim administration. However, Malaysia is a slow adopting technology transfer compare to the other countries. Therefore, this research is to study how the technology transfer process in the claim administration industry and whether it can help in achieving project success. It's also evaluating the factors of technology transfer process to see what the factors that will influence technology transfer implementation. A third party administration company in Malaysia was chosen to be a case for study. There are totally eight interviewees had been selected from the top level management of the Third Party Claims Administration company. The research shows that the factors affecting the technology transfer implementation include individual, organizational, and technological level factors. The results also show that the technology transfer process can assist in achieving technology project success by meeting the project criteria which are the cost, scope, time, quality, and the customer satisfaction. The possibility of the project success will increase if the technology transfer implementation practices are effective. This study can provide the baseline information for the technology transfer process for third party administrative company.

## TRANSLATION OF ABSTRACT

Pemindahan teknologi merupakan satu proses yang rumit dalam membantu pentadbiran tuntutan untuk berurusan dengan kerumitan dan kecekapan projek serta permintaan yang semakin meningkat dan kepuasan pelanggan. Banyak negara-negara maju yang telah mengagihkan dana mereka dalam pelaburan pemindahan teknologi, ia menyebabkan produktiviti meningkat dalam pentadbiran tuntutan mereka. Walau bagaimanapun, Malaysia adalah menjalankan pemindahan teknologi lebih perlahan berbanding dengan negara-negara lain. Oleh itu, kajian ini adalah untuk mengkaji bagaimana proses pemindahan teknologi dalam industri pentadbiran tuntutan dan sama ada ia boleh membantu dalam mencapai kejayaan projek. Ia juga menilai faktor-faktor proses pemindahan teknologi untuk melihat apakah faktor-faktor yang akan mempengaruhi pelaksanaan pemindahan teknologi. Sebuah syarikat pentadbiran pihak ketiga di Malaysia telah dipilih untuk menjadi kes untuk kajian. Terdapat lapan orang daripada pengurusan peringkat atas Tuntutan Pihak Ketiga Pentadbiran syarikat telah dipilih untuk sesi temubual. Kajian ini menunjukkan bahawa faktor yang mempengaruhi pelaksanaan pemindahan teknologi termasuk faktor peringkat individu, organisasi, dan teknologi. Keputusan juga menunjukkan bahawa proses pemindahan teknologi dapat membantu dalam mencapai kejayaan projek teknologi dengan memenuhi kriteria projek yang masa, kos, skop, kualiti dan kepuasan pelanggan. Kemungkinan kejayaan projek itu akan naik jika amalan pelaksanaan pemindahan teknologi yang berkesan. Kajian ini dapat memberikan maklumat asas untuk proses pemindahan teknologi bagi syarikat pentadbiran pihak ketiga.

## **CHAPTER 1**

### **INTRODUCTION**

#### **1.1 INTRODUCTION**

This study mainly focuses on the technology transfer process in achieving technology transfer project success. The chapter starts with research background which gives more views about technology transfer. Problem statement highlights the problem of current technology transfer. The technology gap and what are the weaknesses of the technology transfer process. Next, the research background gives more view about the technology transfer from different perspective and level. The research objectives, research questions, expected results as well as research significance are also presented in details in the following sections

#### **1.2 RESEARCH BACKGROUND**

The transfers of technology to develop countries are one of the most discussed topics of international economic relations in the past thirty or more years. It is familiar that transfer of technology is an essential determining factor of the growth of economy, long-term profits and convergence of the countries.

One of the examples of technology transfer happening worldwide today is the United States, one of the main sellers of technologies which accounts for almost 50% of the world royalties and the license fee receipt (Miroudot et al. 2009). The U.S. Multinational Corporations (MNC) is their essential channel for transfer of technology, it

transfers technologies to overseas affiliates in the embodied form and the disembodied form.

Nowadays, in the business setting, interest of the money-making exploitation of a company's technological assets via technology transfer has strengthened. Those factors that had facilitated the transfer of technology include the globalization of business and liberalization of the economic routines of many countries. These factors have caused cooperatively in commercial technology transfer which had become a vital component for the business setting. In the recent years, the technology transfer has highlighted as one of the essential part of the international business strategy.

The importance of technology transfer from a growth and improvement viewpoint has been validated long time ago. Mansfield (1985) had pointed out that, "One of the primary processes that affect the economic performance of the nations and companies is technology transfer. The economists had long recognized that the technology transfer is at the heart of the economic growth process. The progress of both developed and developing countries depends on the extent and efficiency of the technology transfer. In recent years, the economists have also come to realize the essential effects of international technology transfer on the size and the patterns of world trade."

One of the important influences to Malaysia's economic growth and firm's productivity is technology transfer. Malaysia realized that technology under country development is a critical constraints to improve the development of economic level (Fahmi, 2009). However, insufficient costs and time disallow it to become an opportunity for Malaysia to generate and develop all the new technologies. Therefore, Malaysia has deputed for technology transfer which is to import technology as a speedy and cheaper way to enhance the use of science and technology.

From point of view of the business and technologists, the major purpose of Technology Transfer is to enhance the competitive advantages of firms via the improvement and enhancement of customer value (Ramanathan, 2001). The rapid changing of the global industrial environment is pushing the companies to enhance their

competitiveness by obtaining some new technical skills and put investment in the latest technologies (Chew, 2010). It is predicted that in the future, through the improvement of the competitive advantage, a company and its stakeholders collaborating in the technology transfer will obtain benefits financially and strategically.

In claim administration industry, technology transfer project is also one of the studies in project management. A third-party claims administration (TPA) is a sector that processes insurance claims or employee benefit plans for their clients. This can be categorized as outsourcing the administration technology of the claims processing. The TPA help in performing a claim processing that handled by the company by transferring the system to the company. Normally, in the cases of healthcare insurance claims, TPA transfers technology to assist in handles the claims processing for their customer.

Third-party claims administration often transfers their technology to customers to help them in processing the claims. Somehow for third-party claims administration, the limitation of adopting technology transfer in to day-to-day operations has become a challenge. Therefore, factors that influence the technology transfer process are studied in this research to improve in the application of the technology transfer in industry.

### **1.3 PROBLEM STATEMENT**

There was a common agreement that import of technology was important for country and companies' development. The statement of almost all the technology transfer is that such transfer is necessary and important for the social development and the desirable economic. Occasionally, the technology transfer process did not perform as smooth as what people had planned previously or to get the wanted result. Experience over the decades has shown that a lot of problem occur during the technology transfer process. The transferees often lack of the technical skills and adequate knowledge to manage the transfer process effectively. Planning and managing a technology transfer project is not easy. Godkin (1998) provided an inclusive list of problem areas in the technology transfer process. Most of the problems still persevere and change the business trends and technological rapidly.