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Personal Essay

The Impact of The Government-Linked Companies Transformation Program (GLCTP) on The Performances of Government-Linked Companies (GLCs) in Malaysia

I gave myself a pat on the back right after I turned in my thesis to the front desk and thought to myself “*yes, it definitely was worth it*”. It has been quite a journey writing a paper that I now can proudly call *my paper*; from brainstorming topics, forming a research question then reviewing scholarly articles and relevant literatures back to revising the question, then to data mining, then to developing the model and more data mining, then to testing different models for robustness check and more literature reviews then finally to analyzing the results but then brought me back to revising my models again because I was not accepting the fact that the results were not as expected then finally to understanding that statistics are numbers that do not lie and finally to consolidating everything and multiple rounds of editing and proofreading. All was made possible because of the abundance of resources I was given the access to. It was a journey of not only realizing that I have a passion for research and data science but one which taught me to seek out the right resources for the different problems I encountered during this period.

Reflecting on the first stage of my undergraduate research, I recalled that narrowing down a research topic was not the easiest task. Being a social science major and a naturally inquisitive person myself, I had many questions that I would like them to be answered empirically and analytically. Eventually, I chose a topic that I hold dearest and I strongly believed that it would be a piece which could potentially add value to my community, provide researchers and practitioners the essential evidence and information for various purposes in the future. My interest in microeconomics and how firms interact differently in a competitive market as opposed to centrally planned economy led me to wanting to understand if the government-linked companies (GLCs) in Malaysia have been performing subpar to non-GLCs. Past literatures indeed had shown that GLCs in Malaysia performed sub-optimally on average. As such, the government introduced a 10-year transformation program called the Government-Linked Companies Transformation Program (GLCTP) in 2004 aimed to improve the efficiencies and performances of GLCs. Born is then the underlying idea of my research question that is to measure the impact of the GLCTP which ended back in 2015. With the graduation report produced by the GLCTP committee showing favorable results, I was hopeful to showing the positive impact of GLCTP empirically. If government’s 10-year effort has evidently produced substantial results, then this necessarily indicates that corporatization is the way round rather than privatization in a developing country like Malaysia. It is the understanding of the importance of my results and how it might affect the public’s especially my peers’ and families’ perceptions about the competencies and capabilities of the government of Malaysia in terms of productivity and efficiency that acts as a motivation for me to complete this research in a thoughtful and professional manner.

Such a question led me to discovering statistical methods and economic models that I had never heard of as I consulted my economic adviser and econometric consultant. In attempting to answer my research question, I had opted for an estimation technique that was at first unfamiliar to me but was then convinced that it was an appropriate approach upon reading many papers and laying out the assumptions and limitations in my model. The level of confidence I had in my choice of difference-in-differences model to estimate the impact of the GLCTP was challenged when the results were not as expected. As a result, I was more conscious about the assumptions and limitations of my model. I had to make sure that I was making the right assumptions and choosing the right variables to mitigate any biasness in my estimator. The program still portrayed a negative impact in the performances of GLCs even after making necessary adjustments to my model. With such results, I had no choice but to accept it but remain hopeful that corporatization is still a way to improve GLCs' performances. For all we know, this could motivate the government to introduce a more effective transformation program.

Library research resources played a prominent role in my research, so much so that without access to it would mean no results for my paper. Having granted access to many databases including but not limited to MintGlobal, Osiris, MergentOnline and Bloomberg, I humbly admit that I had taken advantage of such an opportunity throughout my research work. 3 out of 5 days during the weekdays plus Sunday during the middle and last phase of my research journey, one would find me in the same spot in the Bloomberg terminal in Foster Business Library with possibly 10 different Excel sheets opened. Bloomberg plugin Excel was one of the tools that I appreciate having because of how convenient it was. On top of that, I did not hold back on reaching out to the readily-available, helpful and kind Foster business librarian Jessica Jerit regarding questions on databases. At times when Bloomberg could not give me the right dataset for desired variables, Jessica pointed me in the right direction to obtaining the data such as approaching professors in the Business School to get access to other databases like Thomson Reuters. Literature reviews were as well a crucial part in my paper and I was as well fortunate enough to be always connected to my UW account and granted access to all the sites that I have used for my online academic research including but not limited to JSTOR, EconLit, Journal of Business Finance & Accounting and EconJournals. All in all, I am extremely grateful for the resources available for me as it definitely has helped me in writing my very own Undergraduate Research Paper in many ways.