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**Manager's Perceptions of the Relationship Between the
Use of ICTs and Organisational Performance: Case Study
of the Tuvalu Financial Services Industry**

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ABSTRACT

Many organisations have invested significant resources into the adoption and use of information and communication technologies (ICTs). This has triggered significant debate as to whether these investments are worthwhile. Much of the literature establishes a positive relationship between ICTs and improved organisational performance, but not in all contexts.

This study investigates the perceived relationship between the use of ICTs and the performance of the Tuvalu financial services industry (TFSI). It explores the views of managers in the TFSI about the level of ICT use and access, competitive advantage derived from the use of ICTs, challenges of implementing ICTs and integration of future ICT tools. The resource-based value (RBV) framework is used to develop a conceptual model. This model is tested in a positivist paradigm using semi-structured interviews in a qualitative approach.

The study finds that the TFSI managers believe that the performance of the industry has benefited from the deployment of ICTs, particularly in collaboration, efficiency, data monitoring and communication. The study finds support for increased competitive advantage for the industry from transformation of TFSI operations and increased institutional knowledge. Key challenges to fully optimise the potential of ICTs include unreliable Internet connectivity, limited financial resources, mismanagement of equipment and the threat of computer viruses. Technologies for future integration include automated teller machines (ATMs), credit cards and a centralised computer database.

The research has important implications for both theory and practice and the study provides recommendations that could be used to improve the performance of the TFSI. The study contributes to a better understanding of the relationship between ICT and organisational performance in the context of a financial services industry in a small Pacific Island nation.

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ACRONYMS

ACCPAC	Accounting Package
ADB	Asian Development Bank
ATM	Automated Teller Machines
DBT	Development Bank of Tuvalu
EVI	Environmental Vulnerability Index
GDP	Gross Domestic Product
GOT	Government of Tuvalu
ICT	Information and Communication Technologies
IMF	International Monetary Fund
MCIT	Ministry of Communication, Information and Technology
MFEPI	Ministry of Finance, Economic Planning and Industry
MYOB	Manage Your Own Business
NBT	National Bank of Tuvalu
OECD	Organisation for Economic Co-operation and Development
PIFS	Pacific Island Forum Secretariat
RBV	Resource-Based Value Framework
SOPAC	South Pacific Applied Geoscience Commission
SPC	Secretariat of the Pacific Commission
SWIFT	Society for Worldwide Interbank Financial Telecommunication
TFSI	Tuvalu Financial Services Industry
TNPF	Tuvalu National Provident Fund
TTC	Tuvalu Telecom Corporation
TTF	Tuvalu Trust Fund
UNESCO	United Nations Educational, Scientific, and Cultural Organisation
UNEP	United Nations Environment Program