

Introduction to the Minitrack IS in Global Business

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Introduction

Globalization of markets and value systems continues to be a driving force, which is redefining the way in which many companies are doing business. What is the role of IT in all of this? The application of various information-based technologies is both the cause and the effect of new ways to do business. The (global) networked organization, linkages of supply chain partners, and alliances exploiting uniquely grouped core competencies are all supported or enabled by modern IT. An encompassing concept is emerging nowadays: *the integrated value system*, or as different organizations cooperate in dynamic partnership relationships, *integrated value web*. Value system integration can be defined as the process by which multiple enterprises within a shared market segment collaboratively plan, implement and manage the flow of goods, services and information along the value system in a way that increases customer-perceived value and optimizes the efficiency of the chain. Due to competitive pressures, integrated value chains or webs will operate on a global scale.

Contribution of the Minitrack

Integrated Value Webs on a global scale introduce new management challenges, such as the implementation process of e-business initiatives, the evolution of B2B market places, and the development of new management practices.

In the first paper Caroline Chan proposes a model of stages of growth based on the use of B2B e-commerce technologies and applications in Australian organizations. Four stages of growth proposed for B2B e-commerce implementation are (i) initial e-commerce; (ii) centralized e-commerce; (iii) looking inward for benefits; and (iv) global e-commerce.

In the second paper Pratim Datta and Victor Wacham A. Mbarika present a novel perspective on the productivity paradox. They state that little attention has been paid towards the dimensions of the productivity process, including the time lag between investments and returns. Their paper illuminates the dimensions by disaggregating information investments into information expenditures and information infrastructure development. Based on past literature, their study uses service-sector productivity as a logical outcome of information expenditures. A conceptual framework is developed and empirically examined using a time-lagged longitudinal dataset of 60 countries equally grouped into 3 income categories is then developed. The empirical examination reveals that information infrastructure development does indeed mediate the path between information investments and service sector productivity

Harry Hendrickx will conclude the minitrack with an interesting position paper that attempts to bring together different theoretical approaches to management problems, especially economic (Transaction Cost Theory and Resource Dependency theory) and systems approaches. No single one of these theories can satisfactorily model the shift from Market and Hierarchy toward the Value Network. All are needed to help managers develop approaches to cope with volatility and complexity, trying to force the rigid structures of the past to respond to change. However managers need more sophisticated ways of governance, recognizing that interaction is the central concept in governance of Value Networks, not transaction. This paper unravels the three lines of thinking in the context of Value Networks, and discusses its relevance for managers.