

## Introduction to the Minitrack IS in Global Business

Christopher Holland and Pieter M. Ribbers

Manchester Business School - Tilburg University

C.holland@fs2.mbs.ac.uk - P.M.A.Ribbers@KUB.nl

### 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, *the 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

Value chain integration on a global scale introduces new management challenges, such as the implementation process of e-business initiatives, the evolution of B2B market places, and global financial transactions. Doing business on a global scale also introduces management challenges because of different cultural settings which affect how IT is being implemented. Two papers explore IT management issues in Asian countries.

Chan and Swatman perceive a gap in the e-commerce literature as far as the process of implementation is concerned. In their paper they describe the findings of a series of case studies comprising ten key Australian e-commerce initiators (predominantly B2B). The major discussion of the paper concerns the implementation process, the issues influencing this process and the organisations' future approaches to B2B e-commerce.

In the second paper Holland synthesises global trends in electronic commerce and contemporary theoretical developments in order to identify the implications for individual firm strategy in both business and retail markets. An analysis of business to business exchanges is presented

from a management perspective. It attempts to explain and predict the evolution of such marketplaces, and identify the likely strategies that will dominate B2B trading.

In the third paper Ayad and Sol address the problem that worldwide services through global financial transactions are a necessity for any company wanting to address a global market. Their paper defines global financial transactions from a business perspective, and leads to a framework which defines new geographically distributed business models. These business models describe the division of labor between national and supranational organizations where an equilibrium must be found in which communication and coordination mechanisms across national boundaries play crucial roles.

Kai Reimers reports the findings of an exploratory study of R/3 users in China which has been conducted in spring 2000. The broad purpose of the study has been to identify crucial implementation process variables in order to help companies improve their implementation strategies and methods. As respondents include foreign invested companies, state- and collectively owned companies, and privately held Chinese companies, it was possible to analyze the impact of ownership on implementation process and outcome variables.

Finally Beulen and Ribbers describe a case study of an Asian Information Technology (IT) outsourcing partnership. Most IT suppliers in Asia are relatively inexperienced with the management of IT-outsourcing relationships. But not only the IT suppliers are inexperienced, also the outsourcing companies do not have a track record in the management of IT-outsourcing relationships. Besides the level of experience also cultural issues play an important role in this matter. This article aims to provide a better understanding of managing IT-outsourcing partnerships in developing Asian countries on the basis of an IT-outsourcing partnership model

Harry Hendrickx will conclude the minitrack with a presentation of a case study on how companies in the telecommunication sector are searching for new business models. Large incumbent operators as Swisscom, AT&T and BT choose for some type of electronic (internal) network organization. Increasing complexity as well as the opportunity to establish profitable partnerships enhances this development.