This special issue of JGIM is devoted to papers from the Second International Conference on Electronic Business held in Taipei from 10-13 December 2002 and the International Conference on Electronic Business (e-Business) held in Beijing from 23-26 May 2002. Seven papers were selected from each conference. All papers went through a double blind review process based upon the standards of JGIM. A total of three research papers and two research notes were accepted for publication in this special issue.

These papers cover a wide range of issues and challenges in e-business. Although the number of Internet ventures has decreased significantly since the dot-com crash, many firms are still leveraging the Internet internally to improve efficiency and effectiveness as well as externally to build linkages with business partners and customers. Further, the economic downturn has forced corporations to decrease their expenditure in information technology (IT) and e-business implementation, and also forced chief information officers (CIOs) of corporations to rethink e-business models and adjust e-business strategies. However, e-business has not been out of business but has been going through a consolidation and restructuring process. What have largely disappeared are business models that do not have a clear path to profitability.

Organizations are increasingly realizing the potential of e-business to compete more effectively both locally and globally. For example, General Motors (GM), the largest automaker in the world with annual sales of US$141 billion in 2001, realized the importance of e-business to its business development in the future. The CEO, Mr. Richard Wagoner, listed e-business leadership as one of the company’s top four strategic priorities. GM reorganized its organizational structure into a matrix structure and identified three key constituencies in its e-business initiative – consumers, dealers and suppliers, with the aim of driving costs and time out of its value chain from vehicle design to post-sale care. With the successful implementation of the e-business initiative, GM was able to reduce the average launch time of a new vehicle from three years to 18 months (Slater, 2002).

Further evidence showing e-business to be still in the business is the changing role played by CIOs over the years. During 1996-2000, although IT managers or CIOs participate in decision making, they may not have control over IT spending. In the wake of the dot-com consolidation (2000-2002), CIOs are increasingly responsible for scrutinizing e-business spending and consolidating e-business applications. From 2002 to the present, e-business has been largely accepted as a part of corporate strategy, and many CIOs play a key role in developing e-business strategies for corporations (Varon, 2003). The success of e-business in the future may largely rely upon the seamless alignment between IT (especially Internet technology) and business strategy.

An important area is how IT and the Internet can be leveraged to enhance the firm-customer relationship. Chen and Ching shed light on this issue by carrying out an empirical study of Taiwanese financial service firms to examine the relationship of IT intensity and organizational absorptive capacity on Customer Relationship Management (CRM) practices and performance. The results provide some insights on how firms benefit from their investments in IT and absorptive capacity through their CRM practices.

An important issue related to CRM is the
notion of trust and privacy. Liu, Marchewka and Ku examined American and Taiwanese perceptions concerning online privacy and how it is related to the level of trust with a company’s electronic commerce web site. The findings indicated that trust is an important intermediary variable that influences behavioral intentions for online transactions. Their study may provide some useful insights to Internet Service Providers (ISPs) and other corporations intending to design and use the Internet web sites to reach global customers in different cultures.

In addition to the firm-customer relationship, another important area is to examine firms leveraging the Internet for business-to-business (B2B) relationships. Ganesh, Madanmohan, Jose and Seshadri provide some insights on the success and failure factors of B2B marketplaces by focusing on the adaptive strategies and paths of adaptation of independent B2B marketplaces.

Related to the previous paper, Chow explores the success factors for extranet adoption in e-supply chains. Based on a 103 matched-pair sample of extranet providers and extranet users, Chow identifies four extranet success factors: system quality, information quality, service quality, and work performance quality.

One of the key pre-conditions for business corporations to successfully implement e-business is to recruit and retain suitable information systems (IS) professionals with necessary IS skills. Koh et al. conducted a field study to determine whether and how IS professionals’ software skill requirements change as IS professionals gain experience in the workplace. The research findings reported that IS professionals were required to have different software skills as their careers progress, and they did possess different software skills at different stages in their careers.

**REFERENCES**


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