Preface

INTRODUCTION

This book aims to become the reference edition for all those interested in International Business Strategy, Information Technologies, and Emerging Management Practices. The subject area is a combination of Global Information Technology and Management, Strategic Management of IT, and International Business Strategy. The emphasis on Information Technologies and Management provides a unique value proposition and gives characteristics of flexibility and adoption to diverse audiences.

In a world where traditional business practices are reconsidered, economic activity is performed in a global context, new areas of economic development are recognized as the key enablers of wealth and income production, and the quest for collaboration and exploitation of synergies is recognized as an Information Technologies Primer. This book brings together academics, researchers, entrepreneurs, policy makers, and government officers aiming to contribute to the debate on International Business and Strategic Management through Information Technology. The book is timely in responding to the high demand of our society to adopt Emerging Technologies in all the aspects of Business and Economic activity towards innovative solutions to research problems and high performance systems. The key characteristic of the book is that it brings together experts on international business strategy and IT, promoting a sound contribution to the IT literacy as demanded by real users.

BOOK COVERAGE

The chapters of the book address the following key topics:

Chapter 1 outlines a grounded and proven tool for evaluating the effectiveness with which the firm deploys its resources. The chapter draws on the resource-based view of the firm literature as well as the intellectual capital literature to develop a theoretical lens and a practical tool for the optimization of both normal resources as well as intellectual capital resources capturing both the tangible and intangible aspects of these resources. The chapter takes a step-by-step approach and illustrates each step as well as how to interpret the results.

Chapter 2 advances the concept of Environmental Sustainability Knowledge as a strategic knowledge resource by investigating the Knowledge Management (KM) strategies implemented by Nature-Based Tourism Operators (NTOs) in their environmental sustainability strategies. This chapter articulates a conceptual framework to analyze the management of environmental sustainability knowledge in tourism that is underpinned by both the knowledge-based view of the firm and the KM Life Cycle. This deliber-
ate management of knowledge enables NTOs to build a knowledge base about the natural environment and to use that knowledge for environmental sustainability, business sustainability, and local community education. Ten NTOs in Australia, Malaysia, Thailand, and Vietnam were investigated to analyse their KM of environmental sustainability. In supporting the knowledge-based view and KM of environmental sustainability knowledge a further conceptual framework is also advanced for the analysis of how Information Technology enables environmental sustainability knowledge to be created, captured, shared, and applied at NTOs among their staff, customers, and communities.

Chapter 3 discusses the increased attention given to SMEs that recent development in the Malaysia economic landscape has witnessed. SMEs have been at the vanguard of the economic expansion and considered as the powerhouse of the country’s economy, which, if properly nurtured and groomed, could move Malaysia from a developing to a developed nation. Having noted that, given the dynamic and hostile business environment, Malaysian SMEs are being exposed to many challenges that pose adverse impacts on the survival and development of the businesses. The era of globalisation has compelled SME entrepreneurs to face massive changes regarding how they operate their businesses. It has also marked the end of the usual way of doing business, mandating new approaches into the forms of strategies that entrepreneurs need to adopt in order to ensure business sustainability. In the context of this phenomenon, some questions become pertinent: of what benefit is outsourcing? What factors influence the Malaysian entrepreneurs to engage with outsourcing?

Chapter 4 shows how SMEs can compete with multinational companies. This chapter was written on the basis of practical research results. In this research, Hungarian and Slovakian SMEs were investigated from the view of a knowledge-based economy. The question was how they can face future challenges. The researchers wanted to know how SMEs handle their chance which is hidden in their way of thinking about a knowledge strategy. As a result, these companies seem to be afraid, uncertain, and think their success is only luck or a current incident. They live a “fly by night” existence, and they do not feel the importance of development, of studying, of knowledge; they run after work and money. These enterprises feel that they have to survive, and to this, they need money and financial capital. Therefore, knowledge and studying fall behind.

Chapter 5 explores vignette experiments in business strategy research. Scholars in business strategy research often face the challenge of obtaining the necessary empirical data to test causal relationships that form the foundation for many practitioner-oriented recommendations. About two decades ago, Priem (1992) and Priem and Harrison (1994) provided compelling introductions to and called for using vignette experiments to overcome this impasse. Yet, little is known on vignette experiments’ actual use in business strategy research. In this chapter, a search of past applications suggests little overall use, yet a broad diversity in both the themes studied with vignettes and the ways the vignettes were used by scholars. These findings suggest that a number of open methodological issues likely have hampered more common use of the method so far.

Chapter 6 is concerned with the study of success factors in small software firms. The decision to focus specifically on the software sector, as opposed to high technology firms or the generic small firm, is because the authors believe that there are elements in the operation of a software business that are unique to that domain and do not have equivalents in other industries. Interviews were carried out with six owner/managers of small to medium software firms. The interview data was interpreted using a qualitative analysis approach based on the principles of grounded theory. A number of factors emerged
from this analysis, a few of which have parallels in the generic small firm literature (e.g. market positioning, export orientation, distribution channel), as well as a few others which appear to be specific to the software industry (e.g. remote accessibility, ability to demonstrate/trial at global reach with minimal expense, software reuse, etc.).

Chapter 7 examines how an entrepreneur’s strategic choice influences corporate development leading to the initial public offering. The data comes from Korean startups in the information technology industry. The authors consider the dynamic interplay between an entrepreneur’s attributes and government’s institutional support as key factors. An empirical analysis of 615 listed companies shows that an entrepreneur’s attributes play a significant role in market entry, especially in the information technology industry, which tends to have shorter lead time to the initial public offering. Government certification and venture capital investment also facilitate corporate growth toward the public company status.

Chapter 8 takes a look at IT university spin-offs and project management within them. Poor project management in IT companies, strong industry competition, and small firm fragility are some of the most often cited arguments that justify business failure. This chapter provides an integrated view of concepts involved in information technology project management in university spin-off companies. It includes a presentation of a success story of an IT university spin-off, which from the very beginning of its activity focused mainly on project management processes. The chapter explains how university spin-off organizational structure influences project management processes and discusses important methods and factors which may determine the success of IT spin-offs.

A key focus of chapter 9 is an assessment of strategic management and the use of social media to provide new levels of organizational communication and collaboration. Accordingly, a resource-based view of success can only be achieved with stakeholder communication, which is a vital element of strategic success. Embracing and adapting social media to increase participation and engagement, in particular stakeholders directly responsible for strategy implementation, is a potent technological tool. The lack of effective communication of strategies and goals to employees who will implement strategic plans will result in either failure of the plan or a sub-optimal implementation of the plan. This chapter also reviews the critical role of supply chain and how social media contributes its effectiveness.

Chapter 10 compares how teachers and engineering students apply enterprise 3.0 in entrepreneurship. The aim of the research is to analyze teachers’ and engineering students’ Enterprise 3.0 application in entrepreneurship, underpinning the elaboration of a hypothesis on the integration of teachers’ and engineering students’ Enterprise 3.0 application into teacher training and engineering education for efficient entrepreneurship. The meanings of key concepts of enterprise, entrepreneurship, entrepreneurship education, Enterprise 3.0 and Enterprise 3.0 application are studied. Exploratory research of the comparative study has been used. The empirical study included teachers’ and students’ case studies. Descriptive statistics were implemented for primary data analysis. The findings allow drawing conclusions on the teachers’ and engineering students’ Enterprise 3.0 applications in entrepreneurship. A hypothesis has been proposed.

Chapter 11 examines cases of workplace conflict management in the United Arab Emirates (UAE). The UAE draws people from all over the world who come to work hard to secure a better future. Although working in UAE-based organizations has pros and cons, the major disadvantage all UAE organizations face is organizational conflict and the problem of managing workforce diversity. The UAE has the largest migration rates in the world, and its major workforce originates from countries like India, Pakistan, Philippines, Australia, and even United States of America. They contribute diversified backgrounds and speak different languages. This study focuses on the hold foreign agents have on the workforce in
UAE organizations, the benefits these organizations enjoy due to positive conflict, and the everyday challenges these organizations face at the end of the day. Qualitative methods employing interviews are used to investigate research questions. Interviews were collected from 22 officials working in UAE companies, and were interviewed by the respondents. The research concludes that conflict arises when there is a difference of opinion, a lack of coordination and communication, and the lack of properly defining responsibilities.

Chapter 12 determines the relationships between managerial orientation factors, such as entrepreneurial alertness, learning goal orientation, and digital efficacy, on the adoption and outcomes of digital commerce in Small and Medium-Sized Enterprises (SMEs). A survey of Australian SMEs was conducted, and 109 useable responses were received. The results describe owner/manager views of digital commerce use and business outcomes such as growth and efficiency resulting from adoption. Hierarchical regression analysis reveals that managerial orientations related to entrepreneurial alertness scanning and search as well as learning goal-orientation predict growth outcomes resulting from using digital commerce. Being able to see connections, make associations, and search for new opportunities is significantly related to efficiency stemming from digital commerce adoption. The findings contribute to the knowledge of digital commerce adoption, its outcomes, and how these relate to managerial orientations of entrepreneurial alertness, learning, and digital efficacy.

Chapter 13 presents the knowledge, knowledge management, and business intelligence concepts in order to analyze the small and medium-sized enterprises. The partner evaluations and selections aimed to build a business partnership at the SME level is an activity that will lead both to increase SME competitiveness and to increase SME adaptability to market demands. In recent years, the Romanian SME investments needed to implement a knowledge management system are closely related in terms of ICT facilities and existing software, personnel qualification, the objectives, and the chosen technology solution implementation. The knowledge-based system for the partner evaluations and selections presented in this chapter were implemented at the Department of Engineering and Foreign Languages and the UPB-PREMINV & CTTM research centers from University “Politehnica” of Bucharest, in a university – SMEs partnership.

Chapter 14 takes a look at the business-society relations for Japanese corporations in China. The long and complex history between China and Japan, and in particular the “negative heritage” of the Second World War, has effectively alienated the two countries and led to a pervasive culture of anti-Japanese sentiment throughout China. Following the violent demonstrations of 2005, this anti-Japanese sentiment has also had an effect on the economic prospects of Japanese corporations, creating apprehension over the future of Japanese corporate and trade relations in China. The widespread dissemination of anti-Japanese materials by the Chinese media has further contributed to this negative image of Japanese corporations. All of this has forced Japanese companies seeking to expand their businesses abroad to grapple with the unique challenges of operating within the highly politicized environment of Chinese nationalism.

Chapter 15 suggests how base-of-pyramid readiness can contribute to a more inclusive entrepreneurship framework for the Malaysian Rural Transformation Agenda. The potential of the Base-Of Pyramid (BOP) community cannot be realized without an entrepreneurial orientation – an orientation that aims to create market and promote innovation. In line with the notion of the world is searching for avenues for profitable growth and innovation, converting the BOP into active entrepreneurs will foster innovations in business models. Most importantly, conceiving of a market of 4 billion of the world’s poorest people will force a re-examination of the economic potential of the BOP. Realizing this situation, the Malaysian government stated the ambition of becoming a developed nation by the year 2020, and thus, the government has to accelerate their transition into an innovation-based economy.
The aim of Chapter 16’s study is to identify the existence of the major components of intellectual capital in Small and Medium Enterprises (SMEs) operating in the electrical and electronics manufacturing sector in Pakistan. This study has been designed with the aim of selecting 6 major components of intellectual capital, namely human capital, customer capital, structural capital, social capital, technological capital, and spiritual capital. A structured questionnaire was utilized to conduct a survey of 247 respondents from 106 SMEs to identify the existence of these components of intellectual capital. This study confirms the existence of the major components of intellectual capital in SMEs operating in electrical and electronics manufacturing sector in Pakistan. The findings of this study provide valuable insights on the generalizability of the components of intellectual capital in a novel research setting in Pakistani. The findings of the study allow SME practitioners a better understanding about the existence of the components of intellectual capital on which they ought to focus their management efforts in order to take competitive advantage. This study is among only a few to investigate the existence of the components of intellectual capital in Pakistani SMEs and the first to SMEs operating in the electrical and electronics manufacturing sector.

Chapter 17 aims to study entrepreneurship and innovation in ICT companies. The study presents a literature review considering the particular features of ICT companies and proposes an empirical study applied to ICT companies in a small open economy. Empirical study using a relevant sample of ICT Portuguese companies allowed an interesting characterization of this sector in several strategic dimensions. Most ICT companies contribute to the Schumpeterian process of creative destruction, assuming a catalytic role in the creation of new companies (and industries) and in mortality of the less fit companies. In this way, promoting the revitalization and competitive selection with impact on organizational structures and obvious implications for employment, directly or indirectly, tends to save the market friction and contribute to the reduction of transaction and context costs, with a positive impact on productivity and economic growth.

Finally, chapter 18 considers whether differences in technology adoption and perceptions exists between exported and domestic SMEs in Malaysia. The extent of SMEs’ technology adoption in Malaysia has not been clearly reported. This chapter provides an initial snapshot onto the various types of technological tools adopted by exporting and domestic SMEs in Malaysia. It also highlights the differing perceptions held by both exporting and domestic SMEs on certain issues related to the technological, organizational, and environmental contexts that the firms operate in as well as the differences in the owners’ characteristics for the two types of SMEs. Through a survey of 540 manufacturing and manufacturing-related services SMEs, the findings revealed that exporting firms generally have higher technology adoption rates than domestic firms. Significant differences between exporting and domestic firms were also found in their perceptions on issues like perceived relative advantage, competitive advantage, information intensity, as well as in the owners’ characteristics, such as innovativeness. Implications drawn from the findings are duly discussed in the chapter.

All of the above-mentioned chapters work together to present a combined image of the global information technology and management and strategic IT management environments of today.

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