

Preface

Several factors motivated the writing of “*Digital Economies: SMEs and E-Readiness*.” For one, the dual importance of e-readiness and small and medium-sized enterprises (SMEs) in the digital economy cannot be overemphasized. SMEs are vital for the growth and innovation of dynamic economies, particularly because they diversify national economies while generating employment. For SMEs to play their rightful role in the emerging digital economy—driven by the evolution in ICTs, the Internet, and the World Wide Web—they need to have attained some reasonable level of e-readiness (i.e., their preparedness to partake in the global information economy based on their capacity to access and use information, access requisite technological infrastructure, have in place adequate human resources, and operate in an enabling legal and regulated business environment).

This book aims to provide valuable insights into the current state of the digital economy and the ability of SMEs to leverage information and communication technologies (ICTs) so that they may overcome their traditional laggard position in the global business market. The topics discussed should carry favour with most stakeholders in the SME industry, such as managers of SMEs, policy makers in government and public administration (the main change agents in the adoption and diffusion of Internet commerce among SMEs), researchers who wish to develop interventions, models, or theories to help explain SMEs in the digital economy, and students in various disciplines—business, information systems, information technology, information science, info-preneurship, and information management—who need material that comprehensively covers the three core areas discussed in this book for learning purposes.

Although several articles and technical reports have been written on e-readiness and SMEs in general, little treatment has been extended to cover the e-readiness of SMEs with regard to their ability to participate in the digital economy. The strengths of this book are in its holistic and inextricable approach to the treatment of the three core subjects of SMEs, digital economies, and e-readiness, and the theoretical and practical flavour of the treatment of the subjects and presentation of cases, experiences, and best practices. Examples that illustrate scenarios are

drawn cross-jurisdictionally from both developed and developing countries. This approach is considered vital given the rapid globalisation and digitisation of the business environment, and the pressing need for more information and knowledge to determine the patterns of cross-national diffusion of technology in different cultural settings. Thus, the separate but inextricable relationships of SMEs, digital economies, and e-readiness, which most books treat in isolation, are coalesced into this single book.

The content of this book comes at a time when there is a shortage of information and sources dealing with SMEs, digital economies, and e-readiness. The global e-government and e-readiness reports for 2008 (as supplied by the United Nations and the Economist Intelligence Unit/IBM Institute for Business Value, respectively) do not cite any books in their list of references. Most of the references listed are technical reports, commissioned studies' Web-based sources, and journal articles. The emerging digital economy is just beginning to be appreciated. Consequently, the significant positive effects that the Internet and e-commerce will have on the traditional value chain and business processes call for a reassessment of the traditional roles of SMEs in society. This is in order to design interventions that would enable them to enhance their e-readiness so that they may benefit from the globalized digital economy. Although the Internet is believed to be an important tool for commercial and consumer transactions, only a small proportion of SMEs in most economies have adopted the technology. It is important for all the various factors that militate against SMEs to be interrogated and unpacked in order to help policy makers and SMEs' owners find solutions that would help position these enterprises in leading roles in the digital economy. This book provides a framework for scholars and governments to reassess models that would enhance the capacity of SMEs in the digital dispensation. The book is presented in an easy to understand scholarly fashion, using tables to summarize complex data.

Despite the strengths of the book as stated above, it is possible that the examples and best practices used to illustrate scenarios are biased towards developed countries, which have made great strides in the subjects discussed. The topics covered here are of great international interest. Quite possibly, some of the issues covered in this book may seem out of date by the time this book is published; nevertheless, the book will still reflect the global growth, dynamics, and trajectories of the subjects discussed over time. Tracking the development of a subject or discourse can be of significant importance to educators and students. Furthermore, because the subjects of SMEs, digital economies, and e-readiness are still nascently evolving, most sources one comes across on these subjects are electronic and often Web-based. Although the book has relied on Web resources, most of the sources used are from formal e-journals, repositories, and informal scholarly communication. Increasingly, a number of Web publications now maintain high standards of quality since

they are subject to peer review processes. Web-based resources offer researchers and institutions easy access to scientific knowledge, particularly to those located in developing countries, and also for third parties such as economic, business, industrial, and political groups. The sources that are used in this book from the Web have been carefully selected to ensure that they are based on authoritative studies of reputable organisations and/or individuals.

In spite of the great efforts that have gone into the writing of this book to ensure that it comprehensively covers the subjects discussed, it is imprudent to assume that any book can cover all aspects of such topical and dynamic subjects as SMEs, digital economies, and e-readiness. The scope of the book is therefore limited to the interplay and relationships between SMEs, digital economies, and e-readiness. The technical aspects of digital economies, such as economic models and theories underpinning digital economies, are not covered. The focus here lies on operational, management, and policy issues, digital economic components, digital economy applications and processes (e-commerce, e-business, knowledge management, e-records management, etc), e-readiness assessments (of SMEs and macro enterprises), challenges of SMEs in the digital economy and how they can be ameliorated, capacity building of SMEs, and best practices in digital economies.

This book has significant policy and managerial implications. It provides vital information to governments and development agencies on broad-based issues relating to SMEs, digital economies, and e-readiness that can assist them in developing strategic objectives and legal and regulatory frameworks that promote economic growth, infrastructure development, capacity building, and education and training, create awareness of SMEs and the digital economy, and enable access for SMEs to best practices and benchmarking, among other factors. Moreover, SMEs, digital economies, and e-readiness have many dimensions that are of a structural (organisational factors), environmental (digital environment), and technological (e-readiness) nature. Consequently, the managerial understanding of these issues is necessary to assist SMEs to play a leading role in the digital economy. With regard to e-readiness assessments, these are useful information gathering mechanisms that would assist governments when planning strategies for ICT integration, understanding and identifying key and relevant ICT-based development opportunities, and developing enabling strategies and action plans that would address the opportunities and constraints of leveraging ICTs for business competitiveness.