Chapter 4.25
The BIZEWEST Portal

Alex Pliaskin
Victoria University, Australia

INTRODUCTION

In June 2000, the Western Region Economic Development Organisation (WREDO), a not-for-profit organisation sponsored by the six municipalities that make up the western region of Melbourne, received a state government grant for a project to set up a business-to-business portal. The project was to create a “horizontal portal”—BIZEWEST—that would enable small to medium enterprises (SMEs) in Melbourne’s west to engage in an increased number of e-commerce transactions with each other. The western region of Melbourne contains around 20,000 businesses, and is regarded as the manufacturing, transport, and distribution hub of South-eastern Australia (Tatnall, Burgess, & Singh, 2004). Traditionally, this region had encompassed much of the industry in metropolitan Melbourne.

BACKGROUND

Australia is a federation of six states and two territories. The states are segmented into smaller regions, or communities of interest, to deliver base-level services to the people. These services include things like the administration of building standards, the policing of minor by-laws, the provision of garbage collection services, and ensuring the welfare of the aged. Much of the revenue of local government comes from the imposition of rates and charges on property owners within the municipality, but a significant part of the income comes in the form of grants from the other two levels of government. Local government is extremely vulnerable in that any administration can be dismissed by a state local government minister. Unlike the two upper levels of government, the parliament or council of local government is composed of politicians who are only part time and are not paid a salary. However, they are paid allowances to compensate them for expenses incurred whilst performing their duties (Pliaskin, 2004).

Research Design

A research project to investigate adoption of the portal (Tatnall & Burgess, 2002) consisted of several stages, beginning with interviews of the “business champions” and other important players...
The BIZEWEST Portal identified by WREDO. The second stage involved returning to the businesses interviewed earlier and checking whether things are progressing as they thought they would, and whether they had made any changes to the way they did business resulting from their use of the portal. The final stage, which is the subject of this chapter, collected historical data about the portal’s development, operation, and final demise.

DESIGNING THE PORTAL

BIZEWEST was a regional, inwardly focussed, horizontal business-to-business Web portal based in the western suburbs of Melbourne in Australia that was established in May 2001 and ceased operations in June 2003. It was charged with enabling small- to medium-sized businesses within that region to take advantage of e-commerce opportunities, and to facilitate trade between these entities. The portal was established with the assistance of a government grant and was built under the auspices WREDO, a body sponsored by the six municipal authorities within the area and some of the larger businesses operating there. Its role was to foster economic growth and investment in the region, and so the notion of establishing and operating such a Web portal sat with that body quite comfortably (Pliaskin, 2004).

The treasurer of the state of Victoria, John Brumby, announced the establishment of the Victorian E-Commerce Early Movers Scheme, or VEEM, in February 2000 (VEEM, 2000). This scheme offered grants to local government to help it to assist local businesses to adopt emerging technologies. WREDO formulated a proposal and sent it to the Victorian government on behalf of the six municipalities that sponsored it. The application was drawn up in a hurry and in the expectation that it would not be successful (Pliaskin, 2004). The submission included a number of initiatives that, in hindsight, should not have been there. Some of these included a provision for training secondary school information technology students in Web design, a provision for training business...