Chapter V

Application Service Provision:
A Working Tool for Inter-Organization Systems in the Internet Age

Matthew W. Guah
Brunel University, UK

Wendy L. Currie
University of Warwick, UK

Abstract

The Application Service Provision (ASP) business model offers a pragmatic adoption path for inter-organizations in the Internet Age. Given this pragmatic adoption path, academics are beginning to question the following: Where are enterprises adopting ASP technology first? Why are they choosing these areas? Where will they apply the evolving Web services technology next? This chapter’s primary purposes are to point out a number of issues that concern management of inter-organizations of the Internet Age and to explore the impact of ASP on such organizations. It will
examine the strategies that will enable inter-organizations to better manage ASP resources for competitive advantage. While the phenomenon of ASP is still in an embryonic stage, we draw from seminal works of IS pioneers like Markus, Porter, Checkland, Maslow, and others. Their intellectual contributions, plus findings from research work at Brunel University, provide a framework for discussion. By shedding light on patterns of ASP’s trajectory, drivers, benefits, and risks, the chapter will help managers and academics to reflect on determining where ASP—and associated technologies—might be deployed and define a broad implementation program to exploit the potential of the ASP business model. The chapter seeks to find if Web Services architectures are distinctively able to enhance the flexible coordination of business processes, which span various enterprises and rely on inter-organization information systems in the Internet Age.

Introduction

This chapter, as its objective, will communicate to its readers an understanding of how a new technology can distinctively solve real business needs. In so doing, the chapter will, at each step along the way, explicitly seek to tie the technology back to the business context. The reader is taken through the process by which Application Service Provision (ASP) affects the business issues and management concerns that arise with information systems (IS) in inter-organizations. It examines the strategies that will enable inter-organizations to better manage ASP resources for competitive advantage (Porter & Millar, 1985). ASP is defined, and the term is used in this chapter to refer to Provision and Providers interchangeably.

To deal with this complex topic, the chapter has been structured into four main sections. The chapter’s introduction is immediately followed by detailed definitions of ASP. The second section presents the central theme of the historical shifts from a mainframe to a client-server, and now to an ASP strategy for Innovation Management, thereby empowering the emergence of a new type of organization—inter-organizations—with a new type of IS—an inter-organizational information system (IOIS). Inter-organization here refers to a group of organizations composed of representatives of the participating organizations who coordinate relevant activities. Planning, programming, implementation, and monitoring of activities undertaken jointly or individually by the participating organizations are carried out in consultation with the use of an IOIS. This ensures full consultation among all those involved, with the aim to ensure effective implementation without duplication. The intellectual contributions of IS pioneers (such as Checkland, Markus, Porter, etc.) serve as a framework for discussion.
Related Content

Size Recommendations in Online Fashion Retail: Opportunities and Challenges
www.igi-global.com/chapter/size-recommendations-in-online-fashion-retail/178838?camid=4v1a

How Social Media Tools are Used in Research: A Case Study
Anabela Mesquita, Ana Ramalho Correia and Diana Aguiar Vieira (2014). Information Systems and Technology for Organizational Agility, Intelligence, and Resilience (pp. 245-264).
www.igi-global.com/chapter/how-social-media-tools-are-used-in-research/107113?camid=4v1a

Data Mining in Decision Support for Bioenergy Production
www.igi-global.com/chapter/data-mining-decision-support-bioenergy/44125?camid=4v1a
Strategic Framework for Developing a Process Model for Maximising the Potential of Radio Frequency Identification (RFID) Technology Integration in Hospitals