Chapter XX

Challenges and Opportunities for Information Brokers in Brazil:
A Study of Informational Needs of Southern-Brazilian Enterprises When Expanding Their Businesses

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Abstract

Information is no longer just a control tool for managers — it is a basic resource as important as raw materials or the human resource. Consequently, it is a significant managerial responsibility to decide which kind of information should support the organization’s decision-making process. This is particularly the case when expanding the business. This chapter presents the results of a study examining the information needs
of 796 Southern-Brazilian enterprises contemplating business growth. The survey is part of a program of research into information intermediation via the Internet. The results show a marked convergence of the sample’s informational needs, but also some significant differences among specific business groups. In addition, the research has surfaced some clear “core” of informational needs, supported by some “peripheral” needs. The chapter concludes with a summary, reflections and some future research directions.

Introduction

The paradigm shift from an industrial-based economy to an information-based economy (Tapscott & Caston, 1993) becomes all the more evident when observing the expansion of the telecommunication infrastructure and role of information systems in today’s organizations (Albertin, 1999; Evans & Wurster, 2000). Information is no longer just a management control tool, but a key organizational resource as important as raw materials or the human resource, and a growing number of enterprises are specializing in information management (Barnes & Hunt, 2001; Davidow & Malone, 1993; Mowshowitz, 1997; Freitas, Becker, Kladis & Hoppen, 1997).

With the popularization of the Internet, a tremendous amount of information has become available and easily accessible to the general public (Shapiro & Varian, 1999). However, in this environment, it is becoming clear that quantity of information does not necessarily mean or reflect on quality. The differentiation in quality of information is achieved by how an organization uses the information that it owns (Murdick & Munson, 1988). Having the right information resources imposes an immense managerial responsibility, since it will directly impact on the support of an organization’s decision-making process.

Decision-making is a crucial activity for any organization’s daily life (Freitas, Becker, Kladis & Hoppen, 1997). Indeed, Simon (1947) points out that the main activities in organizations are, essentially, activities of decision-making and problem solving. In particular, it is observed that one of the most critical moments in the life of an organization is the expansion of its businesses (Porter, 1997; Kotler, 1999). At this juncture it is prudent to get some information to support this important decision-making process. However, which information would managers and entrepreneurs typically demand to support such a decision? This is an important question for both companies specialized in information management, for researchers, and for the IS field.

This study was developed as a part of a program of research into information intermediation via the Internet, focusing on the informational needs of Southern-Brazilian enterprises when expanding their businesses. The research was conducted with the support of SEBRAE-RSi. The goal of this chapter is to present the results of this study of informational needs and identify the challenges and opportunities for information brokers in Brazil. The chapter is organized as follows. The next section provides a brief overview of e-commerce in Brazil. The following provides a summary of the research methodology, and the subsequent section examines the results of the data analysis. Finally, the chapter ends with a summary and conclusions.