

**AJIS FEATURED THEME**

**SMALL BUSINESS AND INFORMATION SYSTEMS**

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We are pleased to present this AJIS featured theme on Small Business and Information Systems, which is the result of a merger between AJIS and the *Journal of Information Systems and Small Business*. The co-editors of both journals felt that the merger would help raise the profile of small business research in Australia (since AJIS is more highly recognised than JISSB) and that it would increase the number of publications in AJIS. It is also a global featured theme, with papers from Australia, New Zealand, the United Kingdom and Ireland.

There can be no doubting the pivotal role played by small and medium enterprises (SMEs) in virtually all of the world's economies. In Australia they account for 99% of all businesses, and within the United States and the European Union they account for over 97% of all businesses, approximately 50% of the GDP and over half of the employment. They are the very lifeblood of our society and in the last decade have accounted for 8 out of every 10 new jobs created. SMEs are highly adaptive and innovative, quick to take advantage of new opportunities as they emerge but nimble enough to change direction when the economic climate dictates. The Internet too has slowly but inexorably become an invaluable part of business life. SMEs are increasingly embraced this technology and many, frankly, would find it difficult to survive without it. They believe it raises their company profile and puts them on a level playing field with much larger firms. Some have used the opportunity to develop new "web-only" products and services and to exploit niche markets.

The Internet greatly extends their reach and allows them to target markets they would not otherwise have a chance to attack. With online marketing SMEs have an opportunity to communicate their message to a much wider "global" audience. Of course it helps the bottom line by taking costs out of the business through improved integration, lower office overheads, reduced business travel and using Voice over IP (VoIP) to reduce phone bills. In fact, we could argue that as a result of Internet technologies our SMEs have never been better placed to survive the current economic crisis.

In this special edition we have chosen a number of contributions that describe how SMEs are making use of Information and Communications Technology (ICT). In the first paper O'Connor and Coleman look at the role of Software Process Improvement (SPI) models in SME software development companies. SPI models have been developed to assist software development companies produce software products on time, within budget and to a high level of quality. However SMEs tend not to use these important tools and to date they remain the remit of large organisations. This paper examines why SME companies in Ireland are not using these SPI models. The key inhibiting factor found was cost. The issues affecting the issue of cost included tacit knowledge, bureaucracy, documentation, communication, organisational creativity and flexibility.

Enterprise systems (ESs) or Enterprise Resource Planning Systems (ERPs) are highly integrated information systems that are designed to improve the efficiency and effectiveness of organisations. As with SPI models discussed in our first paper, these tools tend to be taken up by larger organisations. In our second paper Mathrani and Viehland illustrate that the demand for these systems is growing within the SME sector in New Zealand and that SMEs can expect to gain benefits from their ES investment. A distinctive contribution of this work is the vendor/consultant perspective as the unit of analysis, rather than the SME perspective commonly used in similar research. They have found that although many ES implementations are several years old now, SMEs have only recently started tracking the benefits and business value from their ES investment. The results also identify how ES implementation practices are adapting to be more "user friendly" to the SME sector. This is particularly important for ES vendors given the saturation of the large enterprise market for ES implementation.

In the third paper we turn our attention to the "not for profit" sector. Peacock, Swatman and Lu discuss how these organisations are not driven by the expectations of shareholders or the need to maximise profits, but are instead driven by social and ethical principles. It is essential that these organisations aim to be as efficient as possible and deliver the best value to the tax payers who support them. Many heritage collecting organisations such as archives, galleries, libraries and museums are moving towards the provision of digital content and services based on the collections they hold. These small organisations are struggling to implement the transition to digital service delivery. The diverse nature of these organisations within the collections sector, especially in Australia, make it difficult (if not impossible) to identify a single "one size fits all" business model that will be suitable for everyone. The paper argues that a more flexible e-business model framework should be adopted. It presents a preliminary framework based on the literature, utilising the Core + Complement (C+) Business Model Framework, and outlines how the framework will be refined and investigated empirically in future research within the Australian collections sector.

For our fourth paper we look again at organisations that have a strong social, ethical and community ethos. Here, MacGregor, Hyland and Harvie are looking at general medical practices in rural and urban locations in Australia. The study examined whether ICT adoption drivers differ between rural and urban GPs based on their organisational characteristics. The results show that organisational characteristics are associated with the importance of many drivers for ICT adoption and that these characteristics differ between rural and urban GPs. These findings have important practical contributions, not least of which for medical and government authorities which are trying to promote the use of ICTs in rural areas. In a theoretical sense, the paper makes a contribution by

showing the importance of contextualising small businesses like general practices (such as on the basis of their location) rather than assuming that adoption factors apply to all SMEs uniformly.

In our fifth paper Matlay and Martin examine how ICT in general and the Internet in particular have facilitated the creation of "virtual teams" in Europe. Team-led entrepreneurship has been identified as a highly profitable alternative to single founder entrepreneurship. Growth oriented, small e-businesses operating in international e-Markets are more likely to be founded and managed by teams of e-Entrepreneurs. In increasingly globalised and hyper-competitive markets, "virtual teams" of e-Entrepreneurs search, discover and exploit new entrepreneurial opportunities. This type of team consists of geographically dispersed entrepreneurs who are led by common entrepreneurial interests, and who interact electronically in order to promote interdependent strategies and fulfil entrepreneurial goals. This paper presents an illustrative longitudinal case study of a pan-European virtual team of 24 e-Entrepreneur members in the culinary tourism sector. The virtual team is used to evaluate emergent collaborative and competitive strategies in small e-Businesses that are lead and managed by its members. Collaborative and competitive strategies of e-Businesses are identified and related outcomes are analysed.

The final paper takes us into the domain of social networking and Web 2.0 technologies by looking at the potential of blogs as a marketing tool for SMEs. Chua, Deans and Parker present a future research agenda (in the form of specific research questions) which can guide the e-business research community in conducting much needed studies in this area. It aims to demonstrate how the heterogeneity of SMEs and their specific business uses of technology (such as blogs) can form the central plank of a future research agenda. This is important because the e-business literature tends to treat e-business collectively rather than focusing on specific business uses of e-business technologies, and to treat SMEs as a homogeneous group. The paper concludes with a discussion of how this research agenda can form the basis of studies using a range of different research methods, and how this "big picture" agenda approach might help the e-business research community build theory which better explains SME adoption and use of e-business.

