A DIFFUSION THEORETIC APPROACH TO ANALYSING E-BUSINESS UP-TAKE IN SMALL BUILDING ENTERPRISES

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SUMMARY: The adoption of e-business by Small and Medium Enterprises (SMEs) in construction lags other service and product businesses within the building sector. Twenty SMEs were studied to establish the drivers and barriers to e-business adoption within construction. Empirical techniques included interviews and repertory grids for business web site assessment. Data were transcribed and analysed using cluster analyses. Preliminary results reveal that current models for e-business adoption are not effective for the small businesses as they tend to target large enterprises or from other sectors such as retail and tourism. These generic models have largely ignored the nature of the construction industry, and some modifications appear to be required. This paper proposes adoption guidelines sensitive to the nature of the industry – particularly for e-business uptake in building SMEs.

KEYWORDS: e-business adoption, technology uptake, innovation diffusion, small building enterprise

1. INTRODUCTION

According to the National Office for the Information Economy (NOIE, 2005) small and medium enterprises (SME) have yet to experience the full economic benefit. The dominance of SMEs in the Australian construction industry effectively means the industry is largely unaware of or not gaining benefit from, e-business. An understanding of the reasons behind e-business adoption by SME business owners will allow an effective awareness scheme to be developed for the industry. This paper presents the preliminary results from a broader project that seeks to understand the factors influencing e-business adoption in construction SMEs. Specifically, it identifies a range of real and perceived barriers by business owners and business technology users, and proposes a *technology adoption framework* for the industry.

The term "*e-business*" is commonly used to describe Internet-enabled systems that provide information, facilitate transactions or provide shared business processes (NOIE, 2001a). The Department of Commerce (DoC, 2002) argues that e-business technology typically supersedes either paper-based systems or Electronic Data Interchange (EDI) to provide an improved communication channel between business partners. Definitions of e-business from other industry sectors include: the undertaking of business related transactions and information exchanges utilising an electronic format and environment (NOIE, 2001b); the creation of networks that act as electronic supply chains (NOIE, 2001c); and the creation of commercial efficiency with subsequent benefits for all stakeholders (DCIT, 2004).

Clearly a variety of perceptions exist in the industry, and the National Office for the Information Economy (NOIE, 2005) confirms that misconceptions of e-business terms are still an issue. McEwan 2001 refers to these as *myths*. It is argued that by clearly knowing the integration of builders with the wider supply chain can perform more efficiently and reliably business (Ribeiro, 2003). Supply chains can be consolidated and the long term

relationships between participants in the construction process can be enhanced this aligns with results from (McEwan, 2001). For the purposes of this research the NOIE (2001a) definition for e-business namely 'the facilitation and integration of business processes', has been adopted.

An approach to accelerate uptake is that of innovation diffusion (Rogers, 1995), which refers to the spread of ideas and concepts, technical information, and actual practices within a social system. In diffusion theory it is assumed that the spread of ideas moves from a source to an adopter through a process of communication and influence at various levels. Weknert (2002) offers a simple, yet comprehensive framework to analyse the implementation and diffusion of innovation from various angles. This conceptual framework is derived by grouping diffusion variables into three major components (Table 1). This study aims to identify factors influencing the diffusion or uptake of e-business and Internet use for business purposes by small construction enterprises.

Public vs. private consequences	Social entity variable	Environmental context
- benefits versus costs	- familiarity with the innovation	- geographical settings
- business sector	- status characteristics	- societal culture
- collective actors / economic region	- socioeconomic characteristics	- political conditions
- diffusion processes that differ in nature	- position in social networks	- global uniformity
	- personal characteristics	

TABLE 1: Framework for analysing implementation and diffusion of innovation (Weknert, 2002).

Small collective actors, such as SME networks, organizations, or groups of friends, adopt innovations mainly in a personal capacity for activities such as e-banking or book shopping. The greater the density of adopters, the less the perceived risk of adopting by those who have as yet not adopted and the greater the chance of uptake by small building businesses (DCIT, 2004). Success stories and testimonials by SMEs are seen as vehicles for encouraging uptake within the sector. A series of interviews were conducted to collect these anecdotes of e-business success among SMEs.

The aim of this paper is to better understand the uptake of e-business by SMEs in relation to Weknert's (2002) model of Innovation Diffusion by a qualitative identification of the key factors and incentives. The validation of Weknert's framework is derived from considerations of the barriers and drivers of adoption at inter and intraorganisational levels such as decisions from business owners, employees, clients or even and trainees, they all influenced by the social environment and economic context. The paper is outlined as such:

- Identification of barriers and drivers for e-business as identified by 20 SMEs.
- Explanation of barriers and drivers in relation to innovation diffusion theory.
- Critique and identification of key problems and their relation to diffusion theory.
- Description of the elements of innovation and guidelines for adoption.

2. STUDY DESIGN

A comparative case study design was used to capture reasons [or aspects of innovation] behind the adoption of ebusiness by small metropolitan and regional building enterprises. The case study approach aims to gain insights into builders' personal decision-making when adopting the Internet for their business purposes. From a series of consultative meetings with this research project sponsoring organisations it was agreed that four groups were to provide meaningful viewpoints, experiences and testimonials to better understand the phenomena for e-business adoption by small building enterprises.

As the study was designed around 20 organisations the approach underpinning the study is purely qualitative including Qualitative Data Analysis (QDA) as the research technique (Seidel, 1988). QDA provides insights into theoretical and applied studies of knowledge, attitude measurement and cognition. Attitudes were discerned qualitatively through interviews and these were measured and represented using *value* – also know as repertory grids (Denicolo, 2001). Grid SuiteTM software was used to analyse responses as it offers the ability to analyse qualitative data (Fromm, 2004). The software was chosen on the basis of fitness for purpose as for being a familiar to the research team.

Geographical setting	Organisation's up-take	Organisation reference	Respondent's role	Who drives the use of ICT	Who is the user of ICT	Years of doing e-business
		RN1	Secretary / bookkeeping / owner's wife	Respondent	Respondent	-
	H	RN2	Owner	Owner's son / bookkeeper	Owner's son / bookkeeper	-
al	lopte	RN3	Owner	-	-	-
Regional	Non-adopter	RN4	Owner	Owner's teenage son	Owner's wife	-
Re	ž	RN5	Owner	Respondent	Respondent	-
		R1	Bookkeeper / admin support	Bookkeeper and the office manager	Bookkeeper and estimator	1
		R2	Architectural assistant / trainee	Respondent	All staff (5)	3
		R3	Manager consultant	Owner (not-user)	Respondent	4
Regional	Adopter	R4	Owner	Owner's wife / bookkeeper	Owner and bookkeeper	5
Re	Ąđ	R5	Manager consultant	Respondent	Respondent	1
		MN1	Business partner	Other partner	Other partner	-
		MN2	Owner	Respondent	-	-
an	er	MN3	Owner	Owner's wife (who is a banker)	Owner's wife	-
polit	dopt	MN4	Owner	-	-	-
Metropolitan	Non-adopter	MN5	Business partner (husband & wife)	Both partners	Other partner (wife)	-
		M1	Owner	Owner / marketing	All staff (5)	8
		M2	Business partner (husband & wife)	Both partners	Mainly husband / accounts	3
an		M3	IT manager / systems engineer and web master	Respondent	Office staff (8)	4
polit	er	M4	Business partner	Respondent	Office staff (4)	5
Metropolitan	Adopter	M5	Quantity Surveyor	All staff	Respondent, secretary / finance	5

Qualitative data analysis was used to assess participants' responses to e-business adoption, including aspects such as on-line banking, on-line transacting, on-line tendering and all areas of e-procurement. Respondent organisations were targeted and selected under criteria shown in the above Table 2.

2.1 Procedure

Potential respondents where selected by convenience using the above criteria. A searchable database with all members of the Master Builders Association of Victoria (MBAV) was used. All the interviews were conducted

by telephone and lasted approximately 45 minutes. The interview agenda was designed with 14 questions, each containing multiple-choice and tick-box prompts. Respondents where invited to elaborate upon the standard answers that they had numbered for the structured multiple-choice questions. When transcribed, the elaborative commentary enabled the authors to pursue a richer analysis of the various factors that impinge on the adoption of e-business in SME's.

3. RESULTS

Taken together, Fig. 1 to Fig. 5 summarise the responses of subjects in each of the 4 subcategories (RN, R, MN, M) across 5 distinct themes related to e-business adoption. A value of 1 was given to attributes perceived as important and a value of 3 to those perceived as not important [Figs. 2 and 3 exclude this criterion]. Three-level shading was used to identify pattern clusters. A selection of quoted elaborative commentaries has been used to provide depth to the responses.

3.1 ICT attributes

The first theme identified for this study refers to the use of Information and Communication Technologies (ICT) across five categories (Fig. 1). Before discussion started, interviewees rated all prompts by level of importance. Results show that fax and telephone are still the most used communication technologies. For the two adopter groups (rural and metropolitan) e-mail and web sites are almost as equally important as fax and phone. Although mobile short message systems (SMS) are not highly rated, several respondents thought they provided a useful method for sending quick specific directions without the need for dialogue. SMS systems can also send a message to multiple users from a single source.

Results indicate that the two adopter groups (R and M) rightly correlated with the strongest use of ICT in their businesses. For the rural adopter group Internet use was equally important (including web site and e-mail). However, SMS rated the lowest across all respondents. An explanation may be the lack of awareness of possibilities available for integrating SMS mobile technology into everyday business processes.

Rate the importance of																				
communication technologies	RN1	RN2	RN3	RN4	RN5	R1	R2	R3	R4	R5	MN1	MN2	MN3	MN4	MN5	M1	M2	M3	M4	M5
fax	1	1 1	1		1		1	1		1 2	1	1	2	1	1		1 1	2		1 1
phone	1	1 1	1	1	1		1	1		1 1	1	1	1	1	1		1	1 1		1 <u>1</u>
web site	- 1	2 2	3	3 3	3 3		2	2		1 1	1	3	3	3	; 3		1 1	2 2		2
e-mai	1	1 3		1	2 2		1	1	1	1 1	1	3	3	2	3		1 :	2 1		1 1 <mark>.</mark>
SMS messaging	1	3 3	3		3		2	3	2	3 2	1	1	3	3	2		3 3	3 3	1	33

FIG. 1: Cluster grid: ICT attributes

The following quotations elaborate on some of the findings of the cluster grid for ICT attributes:

- [E-mail] The e mail has become a key component in our communication strategies. We use it to transfer large drawings and because it is instantaneous it really helps in getting things to clients or potential clients. I also find searching facility for in/out boxes extremely useful. [R2]
- [E-mail] Three main key benefits include instant communication, ability to receive, archive and retrieve information and improvement in business relations within other businesses and with clients. [R2]
- [E-mail] The three main key benefits of using the e mail are: speed, precision, and easy exchange of documentation. It is today's tool, the best way to send information especially to accountants I also use e mail with attachments and quotes for clients. It certainly saves time; I sometimes ask for quotes by phone and request an answer by e mail. [R3]
- [Web-site] Nowadays having a dedicated web site is very important. Perhaps number one in our priorities as, we get heaps of enquiries over the internet. The web site domain name (as company name) is a very important factor to be found and contacted by occasional clients. [M1]
- [SMS] I'm finding the SMS mobile more useful, for example: if I cannot get through to talk with my husband then I leave an SMS, it really helps to manage home issues and save business time. Its very convenient in the house, no doubt it will be in our business as well it means access to anyone without intrusion. [RN1]

3.2 ICT usage behaviour

The ICT user behaviour category sought to ascertain user adoption of the Internet for business purposes. Contrasting opinions emerged, such as MN2 who sees that having a web site attracts unwanted clients, he also commented on his frustration with viruses and the time required for learning, particularly for SMEs.

Fig. 2 suggests that out of 20 only two respondents do not use the Internet in a business context. RN and MN groups have used the Internet for personal rather than business requirements. Rural adopters have been using the Internet for some years, R4 having adopted ICT 12 years ago primarily through e-mail. R1, the latest adopter, had been using e-mail for 3 years.

F	or how long has your business been																							
U	sing the Internet? [years]	RN1	RN2	RN3	RN4	RN5	R1	R	22	R3	R4	R5		MN1	MN2	MN3	MN4	MN5	M1	M2	M3	M4	M5	
e	-mail	2	1		2	2 5		3	6	i 8	5 1	2	5	2	2 8	3	3		8		2	4 (5	5
- V	Veb browsing	1	1	1	1	5		3	6	1 5	5 1	5	5	1.5	5 2	2	3		8	3 (3	5 5	5	5
E	Deidicatied Web site	0.5			0.5	5		1	- 4	4	1 1	5	1						7		3	5 8	5	1
0	Orders / purchase							2																5

FIG. 2: Cluster grid: ICT usage behaviour

Participant MN3 prefers to call his clients and deal with people over the phone. For him the mobile phone provides more value than the Internet. "As I am a phone user, I first try to call" [MN3]. However, some adopters such as R3 also use the phone to contact and request information. He would then ask to receive it by e mail – as spreadsheet tables if possible where he can then compare prices and update files.

Respondent RA5 strongly believes that the integrated functions of the Internet are becoming important for any business type and size.

"We had a dedicated business web site and e mail for some 5 years now. It is very useful for dealing with finance and banking, I feel efficient and very pro-active. In terms of the benefit of using the e mail, there is no time wasted on waiting for phone calls to return. E mail is pretty much our receptionist." [R5]

3.3 Importance of having a web site

Out of a list of 12 prompts to ascertain the reasons why business owners do not have a dedicated website, three groups [R1, M1 and MN1] responded that 'they did not feel the need for it'. Rural adopters such as R1 and R2 just 'did not know where to go' or 'where to get it'. Respondent R3 'could not afford the initial cost for design and content development'. Respondent R5 felt that the main barrier is the 'overall cost of maintenance, hard and software' although aware that hardware prices are constantly dropping.

How important do you think																				
it is to have a business web site?	RN1	RN2	RN3	RN4	RN5	R1	R2	R3	R4	R5	MN1	MN2	MN3	MN4	MN5	M1	M2	M3	M4	M5
Very important: in order to remain in business									1 1								1 1	1 1	1 1	
Important: it creates new business opportunities		1								1					1					1
Not so important: just another way to advertise		1	1	1	1 1		1						1							_

FIG. 3: Cluster grid: importance of having a web site

Fig. 3 also indicates the relevance of having a business website. As with the importance of using email, respondents have polarised views. Metropolitan non-adopters (MN) were sceptical, with rural non-adopters (RN) showing some willingness to adopt e-business.

"In my opinion having a web site has some great benefits but we are still reluctant to put financial functions such as taking credit payments. What we most like is that it is easy for people to access information and to have the ability to link to enquiries. It also saves us the need to send brochures. This suits our type of business. Our business web site is also important because it allows us to put photos of our projects and products – we like directing people to our web site." [R3]

"Our business has been some 6 years on the internet and 4 years for a dedicated web site. Nowadays it is very important to develop web presence as it is expected in order to remain in business. Some of the main values includes that it improves our service to the client, it allows clients to find more about us and we improve communication with them. It also allows us to promote the work that has been done." [R2]

3.4 Drive for up-take

Drivers for the uptake of website facilities, the rural adopter group (RA) shows strong interest on sharing projects or product catalogues.

"In our opinion, some of the main reasons to adopt e-business was made in order to have a professional presence in today's business environment." [R2]

From the non-adopter groups contrasting views emerged, especially amongst RN1, MN1 and MN5. The use of search engines rated as one of the strongest incentives to adopt the Internet for business purposes (Fig. 4). This is indicated by the shift by various respondents from using printed *yellow pages* to the Internet for finding service providers and suppliers.

"We would like to have our inventories on-line and being able to access availability of stock and to know if we can get things, for example by checking the timber files. It has fast tracking of stock and time saving for us and our clients (sic)." [RN1]

What would make you have a web site?	RN1	RN2	RN3	RN4	RN5	R1	R2	R3	R4	R5	MN1	MN2	MN3	MN4	MN5	M1	M2	M3	M4	M5
Promote my business (on-line presence)		1 1		1	1		2 1		2	1 2	1		3	3	1		1	2 1	2	
Improve business service - ie.contact us enquiry form	-						3 2		1	1 1	1		3	3	1				2 1	
Product catalogue		1					1 1		1	1 1	1		3	3	1				2 2	2
Ability to upload documents		1				1	3 3		1	3 1	1		3	3	1		1	3 3	3 3	3
Number of e-mail addresses supplied with my site		1					3 2		2	2 2	1		3	3	1			2 :	3	2
Have a business name as domain		1	1	1.0		1	2 1		2	2 2	1		3	1	· 1		1 1		2	
To take credit payment				1		1	3 3		3	3 2			3	3	1			3 :	3 3	3

FIG. 4: Cluster grid: drive for up-take

Drivers for uptake varied between cases. Some of these include a junior employee driving through technology; peer recommendation; self-motivation to engage the technology; the need to improve service; a fear of being left behind and influences by family members.

Counteracting these drivers a number of attitudes playing against uptake were identified, including a natural resistance to change and perceived inefficiencies.

"I do not need a dedicated business web site because I work by reputation and I want to stay small. My best marketing is word of mouth. I would use it to find suppliers and to compare prices." [MN3]

3.5 Diffusion of innovation: awareness and skills development

Table 3 shows that informal approaches to learning ICT skills were the most common across the four groups. Learning through family members is a common scenario for SMEs'. A concurrent scenario is where a spouse or children explain aspects of ICT during nonworking hours. Results also suggest that although a binary original categorisation – adopter/non-adopter – a wider spectrum of adoption is evident and this aligns with Roger's categories in diffusion such as innovators, early adopter and followers.

"I learned a lot of this through my children - Wife director 1 of 2, husband and children are good in introducing Internet and related technologies." [M2]

Respondents nevertheless called for more formal guidance on how to set-up and maintain their own websites, suggesting that reliance on informal familial-type diffusion is not sufficient. Respondents are aware that e-business can improve service to the client and relationship with suppliers and fellow builders.

"It would be good to sometimes get information of what needs to be done. How to design and what type of web site, what photos etc. Finding guidance on how to update and maintain sites for small businesses like ours would be very helpful." [MN1]

"The type of support that a business like ours needs when setting up and maintaining a business web site includes the easy updating and maintaining. We would like to know how to upload new images to our site instead of paying someone else to do it." [R1]

TABLE 3: Diffusion grid: awareness and skills development

who influenced you to do e-business?					
Peer influence	R3	MN2	MN5	M4	
Teenage kids	RN2	RN4	RN5		
Junior employee	R1	R2			
Partner [husband / wife]	MN1	MN3	MN5	M1	M2
Secretary / bookkeeper	RN1				
Daughter in-law [accountant]	RN4				
Informed through trade body	M2				
Informed by general media	M2	M4			
Self-learning / serendipity	R4	M1			
University	M3				
Client	M5				
Sales person	-				
On-line learning	R5				

Who influenced you to do e-business?

3.6 Cluster analysis

Fig. 5 is a cluster grid indicating areas of similarity and differences amongst individuals and groups of respondents. Data are analysed by calculating the mean result across individual grids. With the tree (or dendritic) diagrams it is possible to identify commonalities between respondents (top row) or between attributes (right and left columns). The cluster (or pattern) grid indicates commonalities across respondents and attributes. Fig. 5 indicates four clusters, numbered 1 to 4. These are summarised in Table 4.

Cluster	Groups	Comments
1	M2, M3	These two organizations share common <i>socio-cultural</i> and <i>organizational-structural</i> factors including the presence of strong ICT values, formal training, high use of e mail and high use of web search.
2	R1, R2, R3, R5, M1, M4 & M5	These organizations share similar values to those of cluster number 1; however, the main difference is that this cluster has no formal ICT training into place. Learning occurs informally suggesting different <i>economic factors</i> if compared to the other clusters. In this case learning takes place in their own spare time – mainly through a partner or family member. This group has identified the <i>lack of time</i> as the major barrier to learn.
3	MN1, MN2, MN3, MN4, MN5	The metropolitan non-adopter group has shown the highest level of skepticism. This group has an attitude of <i>'there is no need for Internet to run a small business'</i> . This cluster indicates the most challenging group to push towards adoption. <i>Socio-cultural, economic</i> and <i>communication</i> factors provide explanatory value. As this cluster presents the most challenging scenario no e-business adoption is expected to take place without radical changes in the business owner's mindset.
4	RN1, RN2, RN3, RN4, RN5	This cluster is at the tipping point of changes in <i>organizational-structural factors</i> . Attitude results between metropolitan non adopters and rural non adopters (MN and RN) share similar attitudes. The only difference is that metropolitan non-adopters have shown a common non-interest in using the Internet. Conversely the rural non-adopter group (RN) tended to use the Internet (including the web and e-mail) for private purposes and results indicate that they are familiar and more confident ICT users. Results show that they will be e-business adopters in the near future. Having the right attitude of <i>'let's give it a go'</i> is perhaps the single most important aspect towards SMEs e-business adoption – where someone driving the uptake of e-business is not necessarily a user of the technology. This is illustrated in the following, <i>"I am a junior consultant for this business; I am the main user of technology. Greg is the owner, he spends money but doesn't really use it although he is looking on ways improve our business." [R3]</i>

TABLE 4: Cluster summary: alignment with Weknert's diffusion model

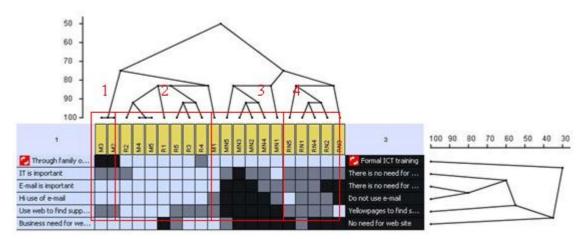


FIG. 5: Summary cluster grid

4. CONCLUSION

4.1 Attitudes

Various respondents asked for some introductory e-business programs through government or their professional bodies. It is especially important to demystify the expected high investments and difficulty of installing and implementing these systems into SME's, both of which affect uptake. According to most adopters this is not the case as the cost of IT systems (hardware, software and training) have reduced substantially in the past decade. Most of these systems require standard office computers and they will work with dialup or broadband connections to the internet.

Because e-business is a relatively new innovation in business and because many Small and Medium Enterprises have not implemented these systems a number of misconceptions can easily develop. Results have identified current perceptions and associations to Weknert's (2002) framework for analysing implementation and diffusion of innovation. Incentives and barriers were identified and highlighted. In this paper an empirical study has been carried out with 20 small businesses, patterns of diffusion in relation to construction SMEs are highlighted. Myths and misconception are to be further investigated.

4.2 Drive for uptake

Uptake of e-business in SMEs is usually gradual. In most cases owners have been influenced by a colleague, a family member or a junior employee. Although there is the need for the business owner to approve time and money spent on any e-business initiatives, they are often not the main users.

Learning commonly happens informally. These incremental steps happen in a non-threatening situation for the business owner or operator, for example, by having one of their junior assistants spending time searching for suppliers on line, this same junior employee typically will also update the web site and organise e-mail communications. Only one respondent received formal e-business training, in this case the roles of *owner* and *user* aligned.

None of the respondents transact money through their web sites. There is a common feeling that most businesses are not using e-business systems, and that it would be unlikely to find SME's receiving credit payment or bidding for work on-line. None of the respondents was ready to adopt these aspects of e-business.

Business reservations about difficulties faced when introducing these systems can be eased when business owners become more familiar, thus confident, with the use of Internet technologies. Rural non-adopters (RN) are generally confident with search engines and Internet banking for personal use and it is therefore predicted that SMEs with these characteristics will gradually adopt e-business into their operations. A case with non adopters includes firstly swapping book keeping for electronic systems and increasingly using the Internet to search for suppliers, and organise e-mail. Following these steps SMEs can improve service with clients (B2C), improve collaboration with other businesses (B2B), experience cost reductions and minimise risk.

4.3 Web usage behaviour and risk-taking

Although fully integrated e business implementation, including the facility to receive credit payments, can offer substantial competitive advantage, none of the adopters has implemented such a system. These businesses are naturally risk-averse, and are rarely leaders of integrated e-business systems within the sector. The risk is reduced for businesses that simply implement existing proven systems with known benefits in the industry. To further reduce risk, businesses most often consider using service providers who manage their systems, provide secure transactions and maintain the integrity of data stored in the system.

4.4 Diffusion, awareness and skills development

Time is the single most important factor needed for learning. It was found that in most instances learning happens informally within users' spare time. Learning also happens through junior staff or even trainees. It is good policy for the business owner, or whoever drives the use of ICT to allow some spare time for junior staff or trainees to spend some time learning some tasks. Formal training and learning activities programmes can also be arranged. Various respondents wanted their professional bodies to provide more guidance on this issue.

4.5 Adoption framework

Table 5 outlines suggestive rather than prescriptive steps that might plausibly be followed to ensure e-business is to deliver valuable to SME operations.

TABLE 5: Steps to deliver value to SMEs through e-business

Identify whether a business is an innovator, early adopter or a follower. Businesses in the first two categories are rare, and those in the last group tend to reduce the perceived level of risk by adopting only proven or mainstream processes.

Review how customer needs are changing and what operational benefits can be achieved by new business process designs.

List all of major business processes, and rank them in order of importance to your customers, business and contribution to the bottom line. In doing this identify which of the existing business processes require collaboration and information exchange. For these you will have to consider common information exchange formats and how collaboration will be maintained.

Review the e-business case studies and best practice examples when deciding on which processes will be re-designed.

Scan emerging technologies, as they affect customer needs and customer needs then influence business designs. Eventually these business designs will affect processes which in turn will influence the next generation of technologies.

Examine the applications existing service providers offer, and the range of existing generic applications, then measure their fit with your specific needs. You probably should do this with your working associates so that collaboration on projects can be improved.

Develop your e-business plan and justification. Ensure that it has a focus on the customer, that it seeks creation of value, it transforms business processes into digital form, and it has a forward looking application architecture (to enable integration with other systems while reducing costs and increasing customer satisfaction).

Examine your internal skills and abilities to deliver the e-business plan and aim to acquire any skills that cannot be readily found within your business. Of course senior management support and involvement and adequate training of staff are also going to be essential for success of your activities. So make allowances for this within the plan.

Ensure that you have a narrow focus for each e-business design, and that there is an overall strategy in place to move from task orientated to functional then to integrated systems.

Fig. 6 crystallises in the form of a picture much of what has been conveyed previously in Table 5. However, is a far superior didactic devise for presenting a model of true diffusion and implementation process that is central to this paper.

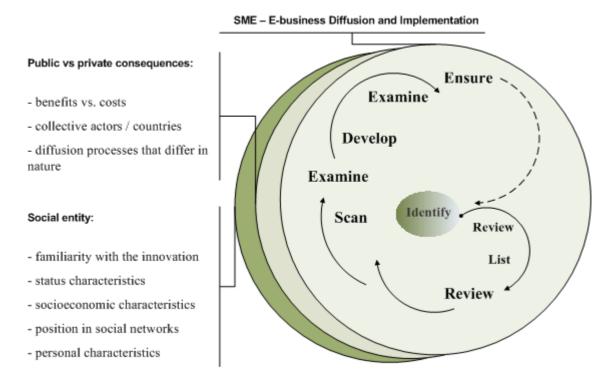


FIG 6: Diffusion and technique to increase adoption

It is observed that Fig. 6 comprises 3 layered circular shapes. Each represents 3 separated sets of interconnected processes. In the top circle one finds the 'suggestive steps' indicated in the above table for implementing worthwhile e-business enhancements. The remaining circular shapes represent various environmental influences that may impede or accelerate movement through the steps at the top level. These underpinning layers align with Table 1: 'Framework for analysing implementation and diffusion of innovation' earlier introduced.

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