Thinking About Information Technologies in the New Digital Economy

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The Digital Economy relies tremendously on the technologies on which electronic commerce innovations are built. However, today, most senior managers face difficulties as they attempt to formulate strategies to compete in this new and highly technological environment. They include understanding the relevant technology trends, identifying appropriate technologies, and effectively harnessing them to improve their firms’ positions in the market. Making sense of the underlying technologies, absent the requisite managerial ability to utilize them correctly, will rarely provide a firm with competitive advantage. We now know better that the inverse is true too: firms that lack technological savvy will not be able to compete successfully, even if their management teams have substantial business acumen.
For this issue of *Electronic Markets*, we selected three books that spotlight technologic issues faced by industry professionals and e-commerce researchers. They include:

- *Competing in the Age of Digital Convergence* (Yoffie, 1997) analyzes how the convergence of digital technologies affects competitive marketplaces, and help senior managers to tackle the new challenges they face as a result. Once you understand the general perspective that Yoffie outlines, it may change your way of thinking about where your firm’s next arch-rivals will come from.

- *Intelligent Information Agents: Agent-Based Information Discovery and Management on the Internet* (Klusch, 1999) provides an overview of the kinds of impacts that software agents are making on mercantile processes in e-commerce by reducing information overload for consumers. Klusch argues that the even greater impact, though it has yet to materialize, should be expected with the new agent technologies come into more common use in business-to-business marketplaces.

- *Information Technology and the Productivity Paradox: Assessing the Value of Investing in IT* (Lucas, 1999) argues that both traditional quantitative measures and qualitative factors should be considered in the information technology investment decisions of managers. Failure to make decisions on the basis of a balanced evaluative perspective will lead firms to miss important opportunities or fall prey to exaggerated expectations.

The invited reviewers for this issue’s books second-year and third-year doctoral students who participated in the ongoing "Doctoral Seminar in Economics, IS and Electronic Commerce" at the Carlson School of Management, University of Minnesota. (See [ids.csom.umn.edu/8801](ids.csom.umn.edu/8801) the syllabus materials and learning goals of the course.) The approach that we have taken to this doctoral course is to make it a "production seminar," where there are clearly defined goals and processes to bring rough ideas about interesting topics for research to fruition through writing. In our Spring 2002 offering of the course, 15 students were asked to review books on current themes and topics in the management of technology and e-commerce. Since the theoretical perspectives of the seminar are taken from economics and management science, we required students to evaluate the authors’ contributions in the light of relevant theory from this body of knowledge. We took the students’ essays through a number of reviews that were aimed at emulating (albeit in reduced form) the feedback-response loop that academic authors experience when they submit journal papers for peer. Once the instructors felt comfortable that the students’ work was of high
quality and likely to be worthwhile for the journal’s readers, we forwarded them to EM’s editorial staff for final decisions on acceptance for the journal.

We sincerely thank Beat Schmid and Lucia Pavlikova for their kind sponsorship of this ongoing project. We also appreciated the efforts that our soon-to-be-faculty student authors made to deliver interesting perspectives on the selected books. We trust that Electronic Markets’ reader will find the perspectives that are offered by our book essay authors to be timely and insightful.