Chapter I

Innovation and Change Management

Mohini Singh
RMIT University, Australia

ABSTRACT

E-business is an innovation that modern day organisations cannot do without. It is based on technology, evolves with technological developments, digitises and automates business processes, is global and leads to improved competitiveness, efficiencies, increased market share, and business expansion. E-businesses models include business-to-business, business-to-consumer, government-to-government, government-to-business, government-to-consumer and numerous others that evolve with new developments. Technological developments applied to e-business results in new issues in the organisation, in dealing with business partners and customers, requires new laws and regulations and automated business processes. Conducting business electronically is a change from traditional ways of doing things, leading to large scale transformation of existing business. To attain business efficiencies from e-business, it is imperative that organisations effectively manage the e-business environment, and all associated changes to digitize and maintain the environment. This chapter discusses management paradigms essential for e-business change management.

INTRODUCTION

E-business innovations are digital transformation of business processes which results in a profound effect upon existing business practices (Patel & McCarthy, 2000). The business press often focuses on the success stories of e-businesses with reports or case studies mostly biased to successful implementations. However, with all the state-of-the-art 'hype and glitter', e-business in some organisations has produced largely disappointing results. Research (Singh, 2000) shows that the problem lies not so much in the technologies and e-business models as in the misperception of managers that a patchwork of 'e' applications handled by technicians or consultants will turn the existing business into e-business. Patel and McCarthy (2000, p. 3) emphasised that e-business is about changing everything in an organisation and not just 'suturing on an e-commerce appendage to the body corporate'. Technical adjustments such as integration, debugging and effective web sites are necessary, but managerial and organisational adjustments requiring planning, allocation of responsibilities, coordination between different groups and departments, negotiation, and human resource initiatives are also essential to develop the appropriate culture for e-business. Diese et al. (2000) suggest that e-business is not about technology; it is about organisational change management and people applying technology to work with business partners and customers. E-business change is a large-scale change within the organisation and its partners (Chaffey, 2000). Common errors associated with e-businesses identified from research (Singh, 2000) are that organisations get all wrapped up with technology, the software modules, and transaction and processing speeds that enormous amounts of staff time, mental energy and dollars are devoted to working on technology and relatively less time is devoted to people and business processes. E-business innovations are about embracing change and changing rapidly. E-business implementations also call for a change in company culture, which has been generally described as a system of shared meaning within an organisation determining the way employees act (Singh, 2000).

This chapter discusses management issues pertinent to the implementation and management of innovations such as e-business and new technologies. The issues discussed in this chapter have been adopted from earlier research (Singh, 1997, 1998, 2000) and literature on managing change with e-business and other new technology based innovations.

16 more pages are available in the full version of this
document, which may be purchased using the "Add to Cart"
button on the publisher's webpage: www.igi-
global.com/chapter/innovation-change-management/8658

Related Content

User Interface Design and E-Commerce Security Perception: An Empirical
Study
Faouzi Kamounand Mohanad Halaweh (2012). *International Journal of E-Business
Research (pp. 15-32).*
www.irma-international.org/article/user-interface-design-commerce-security/66051

Copying with Dynamic Change: Collaborative Business Interfacing for SMEs
under Intergated eOperations
Jayantha P. Liyanage (2011). *E-Business Managerial Aspects, Solutions and Case
Studies (pp. 136-147).*
www.irma-international.org/chapter/copying-dynamic-change/50769

Towards a Collaborative E-Business Vision for Africa
Nixon Muganda Ocharaand Kirstin Krauss (2012). *Strategic and Pragmatic E-
Business: Implications for Future Business Practices (pp. 396-414).*
www.irma-international.org/chapter/towards-collaborative-business-vision-africa/66019

Software Firm Cost Structure and Its Impact on IPOs in the E-Commerce Era
Richard B. Carterand Troy J. Strader (2010). *International Journal of E-Business
Research (pp. 19-31).*
www.irma-international.org/article/software-firm-cost-structure-its/38956

The Microeconomic Impacts of E-Business on the Economy
James E. Priegerand Daniel Heil (2010). *Encyclopedia of E-Business Development
and Management in the Global Economy (pp. 12-22).*
www.irma-international.org/chapter/microeconomic-impacts-business-economy/41164