

New Products

Alcatel Wins
Innovation Award
For Screenphone.
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Evolution In The Digital Age

The era of technology has thrust us all into what has been appropriately termed "The Digital Age." With the Internet becoming the central vehicle for a myriad of business and consumer activities, it is no wonder the projected commerce of the Internet will exceed \$1 trillion by 2003. Examples of Internet use include online stores, digital billboards, portals, online trading communities, online customer service centers and payment systems to name a few. The impact of such systems to consumers, enterprises, and communities will continue to be phenomenal and clearly illustrates that the Digital Age is here to stay.

Many firms are scrambling today to take advantage of the Internet and stake their digital claim by engaging in e-business projects to achieve two objectives: generate revenue and cut costs. Maintaining competitive advantage hinges on profitability, which can be achieved by using the Internet to create new revenue streams, or through the automation of business processes and back office integration, significantly reducing costs.

But what is e-business and how do enterprises engage in and evolve to this new business model? Simply defined, e-business is any business transaction, process or communication that is enabled through use of the Internet. At Romac International, we define a firm's e-business evolution as the transition

through three phases.

Phase 1 is The Content Phase in which a firm develops a Web presence that provides content only. Content sites serve as electronic brochures or digital billboards to advertise, and provide company information/product data that is usually static in nature. A majority of the Web sites found on the Internet today are content sites. The advantages of this type of site are ease of entry and low cost. Almost anyone can create a basic content site to serve as an electronic advertisement for a business, and there are a number of development tools that simplify the creation process.

Phase 2 is The eCommerce Phase in which organizations allow consumers or businesses to order and purchase goods and services across the Internet using a credit card or other electronic monetary exchange. E-commerce sites do not integrate back office processes such as inventory management or accounts receivable, which require manual intervention. Businesses that exist in the e-commerce phase are typically creating or adding a new distribution channel as a revenue stream. Firms engaging in e-commerce must consider a site branding and promotion strategy to achieve site success. Finally, the development of e-commerce sites can be significantly more complex and expensive than simple content sites. A business attempting to devel-

op e-commerce capability in-house should thoroughly review internal capabilities during project planning and consider e-business professional services as a means to shorten time to market and ensure project success.

Phase 3, The eBusiness Integration Phase, focuses on integrating and linking the back office applications of organizations. It further streamlines processes, expedites inventory allocations, and enhances manufacturing and distribution mechanisms, for example. Automation is key in the e-business integration phase by tightly linking front and back office processes and reducing or eliminating the need for manual intervention. E-business initiatives of this type are usually undertaken by larger enterprises seeking significant cost savings by eliminating non-value-add work and reallocating personnel to more productive activities. It is important to note that as an organization moves through these three phases, integration is critical for success and inevitably increases the competitive position of an organization. With estimated global cost savings of \$1.25 trillion from e-business by 2002, the power of the digital age will drive your future. Embrace the opportunity to change your business to stay in the running with the new millennium.

Submitted by Lynne White and David Richardson of Romac International.