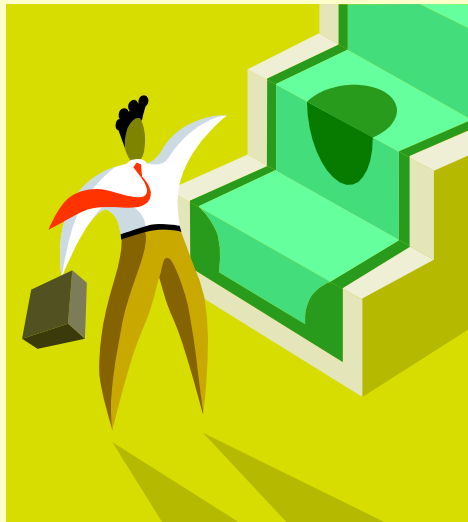


Steps to the Global Value Chain

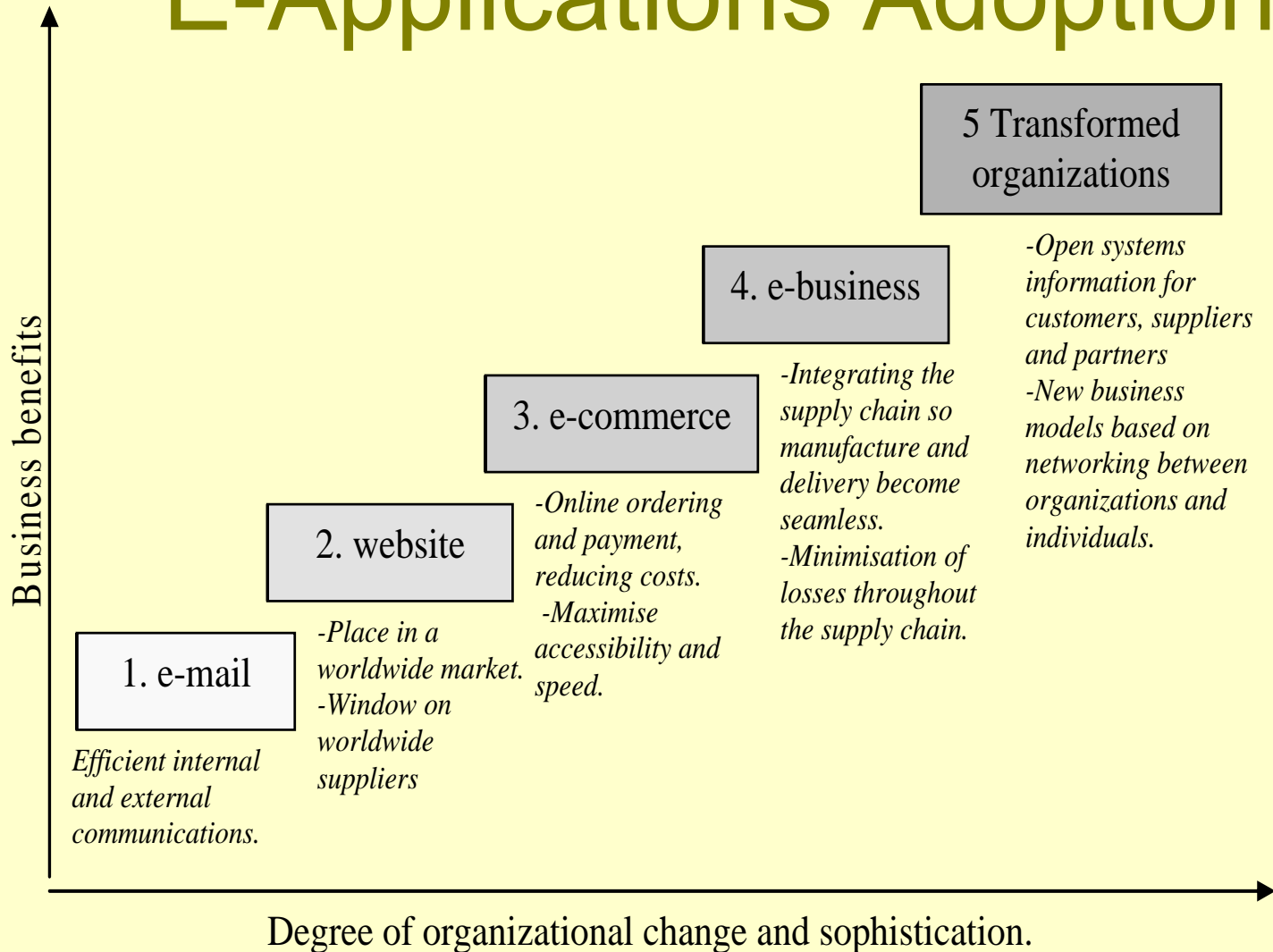


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SMEs and Women Owners

- SMEs 99% of businesses
- Women-owned <50%
- Majority of women-owned business in service sector

E-Applications Adoption



Source: DTI UK, 2000 adapted from Cisco-led Information Age Partnership Study

Benefits of e-Applications

- Increase efficiency
- Reduce cost
- Reduce lead time
- Improve customer relations
- Bring in new customers

Benefits of e-finance

- Leads to standardization
- Increases speed of transactions
- Reduces costs

Adoption of On-line E-payment

Depends on perceptions of:

- Relative advantage
- Compatibility
- Complexity
- Trialability
- Observability

E-finance for SMEs

- Linking financial supply chain with physical supply chain

Innovations

- “Bundling”
- G-cash/cell phone finance
- PURA

Moving up the Value Chain for SMEs

- Means movement up the e-business value chain
- Supplier development help from larger members of their value chain
- Alliances
- Access to greater levels of working capital

SMEs and Exporting

- “Pulled” into exporting
- “Pushed” into exporting
- Now required to bear more of the risk in financing working capital

Role of Financial Institutions

- Train staff to recognize SMEs' important place in global value chains and how to credit score to improve risk management
- Provide programs for SMEs' particular needs

Role of Government

- Disseminate information to SMEs on the value of e-applications
- Use more e-procurement for government purchasing to “pull” SMEs into e-business
- Build trust in electronic processes, but not over-regulate
- Ensure the provision of adequate infrastructure