Developing Business Community Portals for SMEs – Issues of Design, Development and Sustainability

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INTRODUCTION

Small businesses both in Australia and overseas have been disinclined to engage in e-commerce despite high levels of Internet use (Poon and Swatman 1999; Riemenschneider et al. 2003; Yellow Pages 2000). Recent Australian research suggests a growing awareness of e-commerce benefits. However, SMEs are still reluctant to engage actively in e-commerce (Department of Communications Information Technology and the Arts 2000). Recently Australian governments have supported the growth of portals to encourage SMEs to move to e-commerce (Gengatharen and Standing 2003; NOIE 2000–01; Thompson 2002). Government sponsorship of such projects for small and medium sized enterprises (SMEs) is also an approach taken in Europe (E-business Policy Group 2002: 23; Wrycza 2004). Investment in portal projects by both business and governments continues to grow and yet there has been little reported on the success factors and how or if these projects are evaluated.

This paper reports on research that sought to understand the success factors for an SME community portal. The research investigated a B2B business community portal from launch to closure and considered the portal sponsor’s role, the involvement of the business owners and the development approach. A survey of the businesses involved was conducted three months after the portal was established and two years later, in depth interviews were conducted with 13% of the businesses still listed on the portal. During the interview phase the portal closed having attracted few participants from the target businesses. It is therefore timely to examine what went wrong and consider what we can learn from the experience of this portal development.

BUSINESS COMMUNITY PORTALS

Clarke III and Flaherty (2003: 17) suggest that ‘All portals could be considered websites, but all websites are not portals … Portals feature customisable architecture that allows users to integrate data from disparate sources.’ Portal growth has, in part, been as a response to the ever increasing number of websites available for consumers to choose from, with most website traffic now passing through portals (Clarke III and...
Flaherty 2003; Schnieder and Perry 2000). Portals have emerged as a new type of ‘interactive ICT-based service’ (van Riel et al. 2001: 359). Van Riel et al. argue (2001: 359–60) that portals have a number of advantages including ‘easy access to several related services, access to almost unlimited content and excellent retrieval facilities’. Community web portals grew from what Staab et al (2000: 473) describe as ‘communities of interest’ on the web, where portals were developed to meet the interests of a particular group. Damsgaard (2002) identifies six characteristics for a portal community: shared goals amongst members; interactions and strong ties of members; shared activities and resources; support between members and ‘shared conventions, language, or protocols’.

A business community portal is defined in this paper as an Internet facilitated gateway for a community of business subscribers, providing standardized access to other subscribers, resources and functions. Most business community portals are B2C portals (Lawrence et al. 2002) which customers navigate to access a range of goods and services offered by the portal community. They are frequently developed for the purpose of conducting and generating business based around a particular industry, but can also be based on geography. One Australian portal for example, was developed to support the needs of South Australia’s Barossa Valley wine industry. Another, the South West Region portal (Western Australia) focuses on regional promotion.

BUILDING SUCCESSFUL BUSINESS COMMUNITY PORTALS

As with many e-commerce projects, success for SMEs, involved with community portal ventures, has been mixed. Success is defined as a portal remaining a financially, viable online entity as described by Clarke III and Flaherty (2003) and ultimately becoming self-sustaining (Damsgaard 2002). Large commercially based portals have significant financial resources behind them (Green 2000) but for smaller business portals, resources are often limited and it could be speculated that this is why governments have targeted such initiatives for funding.

There are compelling reasons for SMEs to join e-commerce portal ventures, including: limited cost to the business, increased market exposure, access to portal builders providing the expertise and infrastructure (Chan and Chung 2003; Thompson 2002). There are however, challenges in establishing and maintaining such portals. Damsgaard (2002) and Thompson (2002) note that many portals have failed and yet governments continue to support and encourage them.

Acquiring and keeping users is ultimately the key objective in building a successful portal: ‘the portal must incorporate the three major drivers of portal user acquisition and retention: customisation, flexibility and relevance’ (Clarke III and Flaherty 2003: 20). Damsgaard (2002: 410) agrees, suggesting that ‘the dependency between users and portal services is mutual. A portal cannot exist without a community of users, and the users will only visit the portal if there is a set of relevant services which they demand.’

It is often argued that developing web or e-commerce sites is different to developing other software applications (Alaa and Fitzgerald 2004; Gruhn et al. 2001; Vidgen 2002). Nonetheless, some systems development discipline and methodology is needed for any successful e-commerce project (Gruhn et al. 2001; Vidgen 2002). Lawrence et al. (2002: 119) state that in terms of web development methods ‘they all share some aspects in common – namely, establishing requirements, planning and setting up strategies, analysis and design, prototyping, implementation, testing and evaluation.’ There is evidence that in web portal development, often no formal methodology is used, or if a method is used the method tends to be very localized (Munkvold and Purao 2002; Vidgen 2002).

There is limited literature on building e-commerce portals or applicable development methods used. Table 1 details one such method: Clarke and Flaherty’s (2003) five stage development process for B2B portals.

Using Clarke III and Flaherty’s (2003) stages described above, this paper examines the development approach used by one business community portal. Using the factors identified from the literature described in Table 2 the research also explored the other portal development issues.

RESEARCH METHODS AND DATA ANALYSIS

The research explored the questions: What are the factors that make building a community business portal of this kind successful? Do the principles of traditional systems development apply? A case study involving one business community portal explored these questions with the factors identified in Table 2 guiding the research. The first stage of the research involved a survey of businesses participating in the portal in the first three months of operation. In the second stage interviews were conducted with business owners still involved two years after the portal’s launch.

Initial survey

The web-based survey was developed and participation invited from 109 businesses registered on the portal in October 2001. The survey was publicized in the Portal sponsor’s newsletter. Of the 54 responses received, 49 were usable (45% response rate). As the survey was sent out within three months of the portal’s launch the
results provide an insight into respondents’ thinking then, and helped identify their early expectations and their participation in the Portal’s development. The survey used a variety of question types including open-ended questions. The results reported here were not statistically analysed and draw primarily on data collected through the open-ended questions.

**Follow-up interviews**

Two years later in 2003, follow-up in-depth interviews were conducted with business owners. The interview questions explored the issues identified in Table 2. Semi-structured open-ended questions investigated why participants joined the portal, their expectations, value derived and any recommendations for improvement. (The survey and interview questions are available at [http://www.sims.monash.edu.au/staff/jfisher/portalquestions.pdf](http://www.sims.monash.edu.au/staff/jfisher/portalquestions.pdf).) Interviews were conducted with 13% of the 180 businesses listed on the portal shortly before closure, 16 were in-depth interviews (30 minutes) and eight were short interviews (five to ten minutes). The researchers attempted to contact businesses using the telephone number and contact person listed on the portal site. Where telephone numbers were no longer current the telephone details for the business were checked against the Yellow Pages directory. Researchers attempted to contact 73 (41%) of the businesses – 23 no longer existed, 19 had incorrect contact details provided and four companies listed a correct telephone number however the person listed on the portal was no longer there.

The researchers attended a number of meetings held during the early planning stages of the portal and again after its launch. Publications relating to the project have also been drawn on in reporting this research.

**Table 2. Key portal development issues**

<table>
<thead>
<tr>
<th>Key issue</th>
<th>Supporting research</th>
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<tr>
<td><strong>Funding</strong></td>
<td>Chan and Chung 2003, Gengatharen and Standing 2003</td>
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<tr>
<td>Initial set up costs for development and establishment.</td>
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<tr>
<td>Maintenance of the site including content and providing ongoing technical support.</td>
<td>Clarke III and Flaherty 2003, Thompson 2002</td>
</tr>
<tr>
<td>Revenue generation to continue financial viability, achieving critical mass.</td>
<td>Clarke III and Flaherty 2003, Meisel and Sullivan 2000, Schnieder and Perry 2000;</td>
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<tr>
<td><strong>Development</strong></td>
<td>Gengatharen and Standing 2003, Gruhn et al. 2001</td>
</tr>
<tr>
<td>Issues surrounding initial development work, technology standards and platform.</td>
<td></td>
</tr>
<tr>
<td><strong>Collaboration</strong></td>
<td>Murray 2002, Staab et al. 2000, von Campenhausen and Lübben 2002</td>
</tr>
<tr>
<td>Community participation in development, collaboration between developers and stakeholders. Stakeholder ownership of the portal.</td>
<td></td>
</tr>
<tr>
<td>Trust and support among portal partners.</td>
<td>Chan and Chung 2003; Clarke III and Flaherty 2003, Damsgaard 2002</td>
</tr>
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</table>
Data analysis

Descriptive statistics were used to analyse the quantitative data. The qualitative data were analysed using a meta-matrix as described by Miles and Huberman (1994: 93) – a matrix ‘is essentially the “crossing” of two lists, set up as rows and columns’. The qualitative data were entered into tables and categorized according to the key themes identified in Table 2. A meta-matrix allows data to be analysed in a number of ways. Miles and Huberman (1994) argue that using these techniques conclusions that generate meaning can be drawn.

RESEARCH RESULTS

In July 2000 a local organization (Portal sponsors) whose charter is to promote business in their local region won a State Government grant of almost $A 250,000 ($US 200,000). The Government’s purpose in providing funding was to assist and encourage SMEs to move to e-commerce. The funding was used by this group to develop a business-to-business (B2B) portal for the 18,000 SMEs in the region. The portal sponsors engaged a consulting firm to build and host the portal that in turn sub-contracted to another company to build the portal.

The portal’s purpose was to promote e-commerce trading among local businesses, moving them ‘from awareness to active participation’. The target industry sectors were: transport distribution and logistics, manufacturing and associated business services, prominent sectors within the geographic region. The portal was launched mid 2001 and contained quite complex functionality. The home page was public, listing the details of all registered businesses. Further use of the site and participation in any e-commerce activity required a login and password.

The portal sponsors expected secure financial transaction capabilities would be available within six months of the launch (late 2001). Shortly after the portal’s launch, 109 businesses were listed. The aim was to have 300 businesses listed within 12 months of establishment (mid 2002).

Business demographics

The business activity of the survey respondents varied. All were SMEs having up to 200 employees (Yellow Pages 2000). Of the businesses, 78% had a turnover of less than $A500,000 per annum. The business categories with the highest number of participants were business services, 52 (29%), manufacturing 17 (9%), construction and maintenance, 13 (7%) and computing or information technology, 11 (6%). The survey and interview participants were drawn from across all the business categories.

The findings from the survey and case study were evaluated using the factors identified in Table 2.

Portal funding

Government funding was obtained to initiate the project.

Initial setup costs. The businesses generally were enthusiastic about joining the portal because there was no cost involved. Of the 16 interviewees, nine said they joined the portal because it was free.

Maintenance and ongoing support. The initial funding was for 12 months and covered development and support. It was anticipated that within 12 months of the portals’ launch a fee would be charged for participating businesses. This did not occur until mid 2003 and until then the ongoing costs were covered by the Portal sponsors.

Revenue generation to continue viability. The portal sponsors understood early the need for ongoing funding. It was not until 2003 that businesses were told that continued participation in the portal would cost $500. Ten of the 16 businesses indicated they were not prepared to pay. This quote typifies the responses ‘now they are putting up the price to $500 per year irrespective of the company’s size. It is not worth five cents.’ Portal closure followed shortly after the portal sponsors announced the fee.

Portal development

The development process. A steering committee to oversee the portal’s development was appointed and met monthly. The committee consisted of the portal sponsor’s Executive Director, the project manager, a council (local government) representative who was monitoring and overseeing project governance, administrative representatives from each of the six councils in the region, one nominated elected council representative and three representatives from the business community. The steering committee did not include representatives from the portal constructors. Early in the project there were problems with the tendering and development process. The company initially appointed as the subcontractor got into financial difficulties and a new subcontractor had to be found. The tendering companies also had difficulties understanding what was to be done. The portal sponsors described this in one of their reports: ‘Without exception each company came back to us and told us how they thought we should do it even
Define The portal sponsor poorly understood the business community requirements. Only one business owner interviewed was
ultimately responsible for the development was not
possible and so there are few specific details relating to
how the development process was managed. However,
from the information obtained and the data gathered it
is possible to draw a number of conclusions regarding
the development process. The following section evalu-
ates what is known of the development process. The
outcome for this portal development is described in
Table 3, using Clarke and Flaherty’s (2003) stages.

Ongoing maintenance, technology standards and
platforms. Maintenance of the site content was not
properly addressed or planned for. At the time of closure
the details of 59% of listed businesses were incorrect. One interviewee reflecting on how out of date the
directory was, said ‘you can’t rely on the listed entities to
update their own records because they don’t.’

Portal design, content and functionality. An online
catalogue to provide businesses with a low cost e-
commerce facility was an option promised within the
first six months. However it was 18 months before it was
available. At the time of closure, less than 1% of

Table 3. Stages of development and outcomes

<table>
<thead>
<tr>
<th>Stage</th>
<th>Outcome</th>
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<tbody>
<tr>
<td>Define</td>
<td>The portal sponsor poorly understood the business community requirements. Only one business owner interviewed was consulted early in the project. The business case was poorly prepared, it was clear that the money allocated for the project was insufficient to ensure long-term financial viability. There was no evidence of a decision process to change or adapt the proposal to ensure that it did achieve viability longer term.</td>
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<tr>
<td>Design</td>
<td>Businesses were asked whether they had been consulted on the portal’s design and very few had. Few of the interviewees had extensively explored the portal and had little to say about its design although one interviewee commented that it was hard to navigate. Another said ‘I don’t think it works at all, quite frankly’. Clarke III and Flaherty (2003) argue that an important aspect of this stage is to understand the users’ needs. There was no evidence of any business community consultation on any of the design aspects including identifying user needs.</td>
</tr>
<tr>
<td>Develop</td>
<td>Full functionality was not available at the launch and the electronic gateway implementation was significant delayed – a key attraction of the site. There was little attempt to seek input from the potential business participants. Only one survey long after the portal was launched was sent by the portal sponsors seeking local businesses input.</td>
</tr>
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</table>
| Delivery| Clarke III and Flaherty (2003: 22) at this stage say it is important ‘to ensure the portal remains a viable online entity’. Strategies they suggest to achieve this include promoting the business value, seeking input from the business community on improvements and looking for new services to be added. They recommend building a pilot portal and seek feedback. There is no indication this was considered, no prototype was developed or any other system model provided to the business community for input. Implementation was poorly handled. Training was provided for those who joined early and seven (14%) business owners indicated somebody from their organization had undertaken training. Vidgen (2002) argues that it is unrealistic to expect users to attend training and the survey results support this.
| Poor promotion was a major problem. Interviewees were asked for recommendations on portal improvements, six replied that the portal needed to be promoted/advertised more widely. ‘I suppose just business awareness might be the main one [recommendation]. Sometimes these kinds of things just seem to suddenly takeoff, but this one doesn’t seem to have happened.’ There was limited post-launch promotion and little indication of a strategy to encourage greater participation by businesses. Survey participants were asked if they had taken up the free assistance for developing their website. Three had, 25 did not. This could be because they did not need assistance. The majority of businesses (67%) already had a website. However 33% of respondents did not. One of the interviewees was promised help with their website development however this had not eventuated. |
| Defend  | There appeared limited strategic planning for the ongoing operation and maintenance, eliciting feedback from businesses or promoting the portal after the launch, all strategies recommended by Clarke III and Flaherty (2003). By June 2003 the portal content was very much out of date. Of the 179 businesses listed; 29% had incorrect details listed on the site and 30% no longer existed. |
businesses had taken up the e-commerce option, 6% had a catalogue listed and 24% had a website hosted by the portal. Many of the businesses had a website but hosted outside the portal.

Businesses expressed concern early, with 20% of survey respondents unsure how customers were going to use the portal. When asked, two years later, how often they used the portal, 21 of those interviewed said hardly ever and 12 found the portal useless. The majority of interviewees were very negative when asked what they expected customers could do with the portal. A fairly typical response was ‘I don’t think customers on this portal can or will do anything.’

Collaboration

For any community-based initiative to be successful the community contribution and commitment is important (Staab et al. 2000). The project was undertaken in conjunction with local councils. It is difficult to ascertain the role council members on the steering committee played given they were administrative representatives not stakeholders or stakeholder representatives. It is likely their role was limited to ensuring that the portal linked in and was consistent with the direction of their respective councils.

Community participation, collaboration and ownership. The survey asked respondents if they had attended a business briefing on the portal, 19 (39%) had. The majority of respondents found out about the portal through publicity in newspapers and other sources with only 18% of respondents indicating information about the portal came from specific promotional activities.

Poor communication and limited contact with the portal sponsors was an issue highlighted subsequently by many interviewees. One interviewee said ‘I’d like to see a fine relationship between the portal and ourselves, so far as may be a monthly newsletter that would increase communication.’ Another said ‘I think they have to communicate with individual companies on the portal to see what their needs are and they all have to have, I believe, marketing objectives, otherwise it’s just another website’. Three interviewees had tried to contact the Portal sponsors for information but got no response.

Trust among business partners in the portal. Of survey respondents, 80% said their initial decision to participate was to encourage more people in the region to use each other’s services, suggesting initial trust of both their fellow local business owners and the portal sponsors.

This was reinforced in the later interviews: a common reason given by interviewees for joining the portal was to encourage local business activity. They wanted the portal to succeed. ‘Our main motive was frankly to support local business.’ There was a high level of trust and respect for the portal sponsors. Fifteen (31%) survey respondents said they joined to support the region or the portal sponsors. Typical of the comments were ‘To help improve business in the West’, ‘Interested in working with other small businesses in the region. The respectability/reliability of [portal sponsor] helps.’

Other contributing factors

The research identified a number of other factors, not mentioned in the literature that may have also contributed to the failure of the portal.

Technological readiness of businesses. If businesses are not yet ready to embrace new technology then a portal such as this is unlikely to succeed. Research suggests that SMEs, compared with larger organizations, are still reluctant to move to e-commerce (Yellow Pages 2003). Recent Australian research exploring e-commerce and small business found that 77% use email, 31% have a website, 31% place orders through the Internet, 25% take orders, 25% receive payments and 19% have full e-commerce facilities (Yellow Pages 2003). Research data from the US and Europe also confirm similar low e-commerce uptake by SMEs (Riemenschneider et al. 2003; Walczuch et al. 2000).

The initial survey explored technological readiness of business owners through questions relating to the way business was conducted, use of a website, how technologically innovative businesses saw themselves, and whether business was conducted electronically. Seventy per cent of the first businesses registering with the portal said they saw themselves as technologically innovative, 12% said they were not. Prior to the portal’s launch 67% of these initial businesses had a website and 76% had plans to move to e-commerce. Fourteen per cent of businesses indicated no e-commerce plans. The portal did raise awareness, 31% indicated they were now more aware of e-commerce as a result of their portal involvement. The follow-up interviews confirmed the survey data; ten of the businesses had a website; five conducted business via email; four had full e-commerce functionality and two were moving towards e-commerce; five had no interest in e-commerce.

The results of the survey and the interviews suggest that business participants who are technologically innovative were more likely to join given that the level of technological readiness of participants was higher than that found in the broader SME community (Yellow Pages 2003). It could therefore be argued that attracting businesses to the portal later was made difficult because those who were interested were technologically aware and joined early, with the majority of small businesses not as aware and yet to see the value. Recent Australian research found that more than 50% of small businesses...
were unable to see how e-commerce could be of value to them (Yellow Pages 2003).

**Business expectations and business value.** Continued participation and attracting new business to a business community portal such as this one relies heavily on the perceived value the portal has to the business. Early on there was a strong perception that the portal would provide business value. Survey participants were asked what they expected out of their participation in the portal. The most common responses were: raising the business profile (71%), make it easier for customers to find the business (71%), help the business grow (63%). Three months after launch expectations were high. An analysis of the free text responses found that 22 (45%) of the survey respondents were positive in terms of their expectations. Many were realistic but at the same time optimistic with regard to the portal’s success. Typical comments were:

‘High expectation that B2B will expand due to lower cost of maintenance and speed of delivery.’

‘I could source suppliers and customers close to home.’

‘Increased exposure leading to business opportunities.’

‘An opportunity worth embracing.’

‘I think everybody thinks they are going to get instant success from the portal but realistically any success is beneficial.’

Many saw the portal as a marketing opportunity. ‘It can provide a simple way to get relevant information in front of our customers. It will allow an elementary e-commerce functionality. It will raise our profile.’

The benefits however, were not realized with most interviewees saying they had not seen any business value or any additional business being generated as a result of their participation in the portal. Two commented that using search engines such as Google was a better option. There was still some enthusiasm for the concept of a portal, however not this one. ‘I found no benefit from joining the portal. I’m not going to prejudice others and I’m looking at alternative portals. I know a lot of people in the area who have tried it and we all seem to have a common view.’

Given the expected benefits did not materialise all interviewees expressed some negativity, and in some cases cynicism about the portal. These were typical of the responses just before the portal closed and reflect the feeling of despondency amongst the interviewees:

‘I guess it’s been a bit of a waste of time and resources.’

‘I thought people might get more into that sort of thing and it might start working, but it never did.’

‘If I had my time over again, I wouldn’t bother.’

‘I think from our point of view we haven’t seen anything from it and it hasn’t helped us for business so we wouldn’t want to go that way.’

Knowledge of the business community by the portal sponsors. Knowledge about the business community and its needs is very important in the design of any business portal. Adoption of technology such as e-commerce is influenced by factors such as the size of the business and its culture (Department of Communications Information Technology and the Arts 2000). There is no indication that the portal sponsors fully understood the diversity of backgrounds, cultures and business size they were trying to attract and the impact this would have on portal acceptance. The research results showed that most businesses rely heavily on personal interactions.

A number of the interviewees spoke of this lack of understanding. ‘If you are fundamentally a face-to-face business, as we are, how are we ever going to do business on the portal?’ Looking back given the lack of understanding of the business community, the portal sponsor’s timeframe was possibly unrealistic for building and delivering the portal.

Figure 1 summarizes the portal sponsors’ expectations and the actual outcome.

**DISCUSSION**

The portal failed to become self-sustaining and was unable to remain a viable online entity. It was also unsuccessful from the business participants’ perspective, failing to deliver expected business value. The development process breached most of the guiding norms and principles of IT project delivery, particularly in the area of governance and stakeholder management.

The next section summarizes the key issues using the key success factors identified through the literature (Table 2) and the other factors that emerged as a result of the research:

- **Funding** relates to initial setup costs, maintenance and ongoing support and future revenue generation. The initial grant covered the portal’s establishment costs, early maintenance and support costs, and implementation of the electronic payment gateway. Content management was poor and it may have been there was insufficient funding for this or it was not part of the project plan. No revenue was generated by the Portal and participants were not prepared to pay even a relatively low fee.

- **Development** included the development process, the technology, portal design, content and ongoing maintenance. It appears that a number of steps generally regarded as important in the systems development process were not undertaken properly, in particular stakeholder processes and decision processes were missing. The focus for the portal sponsors was on the technology rather than the business process. The portal sponsors undertook responsibility only for overseeing the development by a contractor, and had no direct hands-on
involvement. No formal development method appears to have been used. The target stakeholders and the business owners were not included and were not consulted on their requirements regarding functionality and content. Little was done to prepare and support the business community in their move to the portal. Implementation of the electronic payment gateway was very late. No clear plan or strategy was evident for keeping portal content up-to-date and by 2003 the portal content was out of date.

- **Community participation** includes participation in development, collaboration, ownership and building trust among partners. There was initial strong support from the businesses involved, but this waned towards the end, with little sense of ownership of the portal among the wider business community. Membership of the steering committee was poorly considered with only three business people from the three target industries appointed and limited input was sought from the rest of the business community. Poor communication between the Portal sponsors and participating businesses was an issue for the businesses.

- **Other factors** included technological readiness, meeting business expectations, establishing business value and business community knowledge. Many early business participants were technologically ready, with a higher level of e-commerce participation and Internet usage than the broader SME community. It was difficult to attract other, less prepared businesses, and there was no strategy to address this. A lack of understanding of business community expectations was evident, and there were no project governance processes to address this. Most businesses had high expectations of some business value from the venture and these were not met. No attempt was made to manage these expectations. Those who joined did not see the business value and subsequently were not prepared to pay a fee. The portal sponsors appear not to have understood their business community, and in particular how local businesses operated.

The following recommendations are proposed for those seeking to establish similar portals:

- A relevant, robust development methodology must be used. This is just as important for developers of a business community portal as it is for any other business information system. Standard development methodologies provide essential frameworks for project decision making, stakeholder management,

**Expectations**

<table>
<thead>
<tr>
<th>Early 2000</th>
<th>Early 2001</th>
<th>Mid 2001</th>
<th>Late 2001</th>
<th>Mid 2002</th>
<th>End 2002</th>
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<tbody>
<tr>
<td>Funding obtained, planning begins</td>
<td>Attract first 60 businesses</td>
<td>Site launched</td>
<td>Full functionality available</td>
<td>Promote and attract more businesses</td>
<td>300 businesses signed up</td>
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**Actual outcome**

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</thead>
<tbody>
<tr>
<td>Funding obtained, planning began</td>
<td>Site launched</td>
<td>109 businesses signed up</td>
<td>Full functionality available. 180 businesses listed</td>
<td>Introduced fee</td>
</tr>
</tbody>
</table>

Figure 1. Expectations versus outcomes of the business community portal
systems development, and system implementation. It is important to use the lessons of successful systems development.

- The portal technology has to work, and key functionality must be available at the launch, or at least delivered within a realistic timeframe. Management of business expectations is essential: avoid overselling the portal capability and ensure that delivery undertakings are met.
- Ensure business stakeholder input and participation in decision processes. The business users must want to join and use the portal. Continue to seek input from the business participants through regular communication. Build trust through activities and participation.
- Develop a realistic vision, functional scope, and business case for the portal. The business participants need to understand and embrace the functional vision of the portal and what it is trying to achieve. The portal must support and fit the business needs including understanding the business audience, the size and type of businesses and what they want from it and understand the technological readiness of the business community.
- Ensure the businesses have a clear understanding and support the financial business case at the outset, particularly the investment required at various stages, and the revenue needed to maintain the viability of the portal. Develop and implement a strategy for revenue raising and promote it.
- Promote the portal widely. Develop a strategy for businesses that are not yet technologically ready. Continue to promote widely throughout the development period, and ensure that promotion is visible to the business participants.
- Develop a strategy to manage the information content of the portal and plan for how content will be regularly updated. Portal sponsors cannot rely on the participating businesses providing information update.

CONCLUSION

The use of funding initiatives by governments to encourage and promote e-commerce will continue at least in the short term. However greater emphasis needs to be placed on the use of standard project delivery methods and measures of project success. The research reported in this paper highlights the complexity of issues surrounding the development of business community portals of this kind. Among those issues identified are: the importance of employing a relevant development methodology; awareness of the technological readiness of business owners; understanding the nature of the businesses; having strategies for involving the business community in the process during and after development; ensuring expectations and the business value of the portal is clearly articulated; having strategies for effective communication between all the portal stakeholders, and effectively promoting the portal. With such complex projects funding bodies need a greater understanding of the issues before investing.

References


