The Human Capital “Impact” on E-Business: The Case of Encyclopedia Britannica

John W. Boudreau, Cornell University
Benjamin Dunford, Cornell University
Peter M. Ramstad, Personnel Decisions International

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Abstract
[Excerpt] The term “New Economy” has been coined to describe the remarkable economic performance of the 1990s. Stiroh, (1999) an economist at the Federal Reserve Bank of New York observes that its defining characteristic is a “focus on increasing globalization and expanding information technology” (pg. 87). Research suggests that revenues from electronic based business to business trade will double over the next five years from $43 billion in 1998 to $1.3 trillion in 2003. Revenues from business to consumer trade are predicted to rise from $8 billion to $108 billion over the same time period (Forrester Research, 1998). However, there is increasing attention to the challenges facing business in the new economy, and an increasing chorus of analysts suggesting how tenuous many of these business models really are. A recent Barron’s article showed that many dot-com companies have only days of remaining cash (Willoughby, March 20, 1999). Such a key emerging phenomenon has not escaped the attention of writers, though the existing body of writing has some important gaps. We would classify existing e-business literature into two groups. First, there is a growing body of literature that discusses the how the Internet is transforming business models and organizational strategies. A second, much smaller body of work has focused on e-HR, or more specifically, the implications of the Internet on various HR practices.

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