

Competing in the digital age: will the internet change corporate strategy in Sri Lanka?

The study hypothesized that the internet is transforming global business-regardless of industry or geography and it enhances the possibilities for change in the corporate strategy in Sri Lanka and examined whether companies are rethinking their strategies, business models and processes to compete in the Digital Age.

Twenty-five large business institutes in and around Colombo were selected for the study. An e-mailed questionnaire, interviews with ten senior executives and the business homepages of the organizations were used to collect data. Participants answered questions designed to uncover trends and assess the Internet's impact across three areas: changes in the global marketplace, impact on corporate strategy and differences in the organizational structure, culture and business processes.

The most important finding from the research is that 92% of respondents say that the Internet will reshape the world marketplace by 2001. The study showed that companies across the borders are shifting gears to meet the challenges of the Internet. Because of the Internet 64% of the participants claim their organizations will be able to achieve their strategic goals, better as the technology helps them to improve customer satisfaction, reduce cost structures, reduce cost structures, globalize operations, foster innovation, and accelerate speed-to-market. At the same time. 32% of respondents are of the view that the Internet is forcing them to overhaul their strategies-or risk losing to quick and skilful competitors who have learned to harness the power of the Internet.

Survey respondents recognized the urgency o capitalizing on the opportunities afforded by these mega-trends and exploiting the rise of the Internet. While the business executives know they must transform their companies, most still have a long way to go capture the benefits of the internet with the skills necessary for jobs in the new digital economy.