

EDITOR'S NOTE

As the new vocabulary of competition, with its emphasis on agility, holistically, and synergistically responsive operations begins to shape the way we think about small business, we are increasingly challenged to find new systems for adapting to change and working along with employees, customers, suppliers, and competitors. In this issue, we examine the impact of information technology, small business tax legislation and modern valuation while exploring the ethical orientation of small business owners and their resource allocation decision-making.

In this age of "Information Intensification" where Gateway 2000 is just a label stuck on other companies' components and 1-800-FLOWERS floats freely in cyberspace, our lead article by Albert Lederer and Donna Maupin provides a foundation for small business use of the World Wide Web. In the following article, the degree and type of information technologies currently accepted and utilized by small retail and service businesses is documented by Dr. Alev Efendioglu in an exploratory study of sixty-five firms.

In another exploratory study, Professors Patricia Greene, Candida Brush and Terrence Brown examine the unique distinctions in resource types and usage by small business firms, finding physical and organizational resources more critical than the acquisition of financial resources. An additional preliminarily specific implication showed that human capital is perceived to be less valuable than what is owned. Such a result may very well be related to the growing number of ethics violations in the workplace being reported. This is the focus of Drs. Welsh and Birch's article exploring the ethical orientation of U.S. small business decision-makers.

Small business managers can gain considerable insight into strategies directed toward optimizing revenue per employee, growth and investment, from reading Dr. Timothy Wilson's research study of business service sector profitability. Similarly, Professors Baril, Marshall and Sartelle help us understand the implications of employing the conceptual foundation of "Economic Value Added" in small, privately-held firms. Wealth creating strategies are examined and specific operating, investing and flexible financing actions are clearly described. This focus on profitability and wealth creation has its sequel in the impact of 1996 tax reform on the small business firm. The technical issues associated with this recent tax legislation are examined and explained by Drs. James Williamson, Gerald Whittenburg and Howard Toole.

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