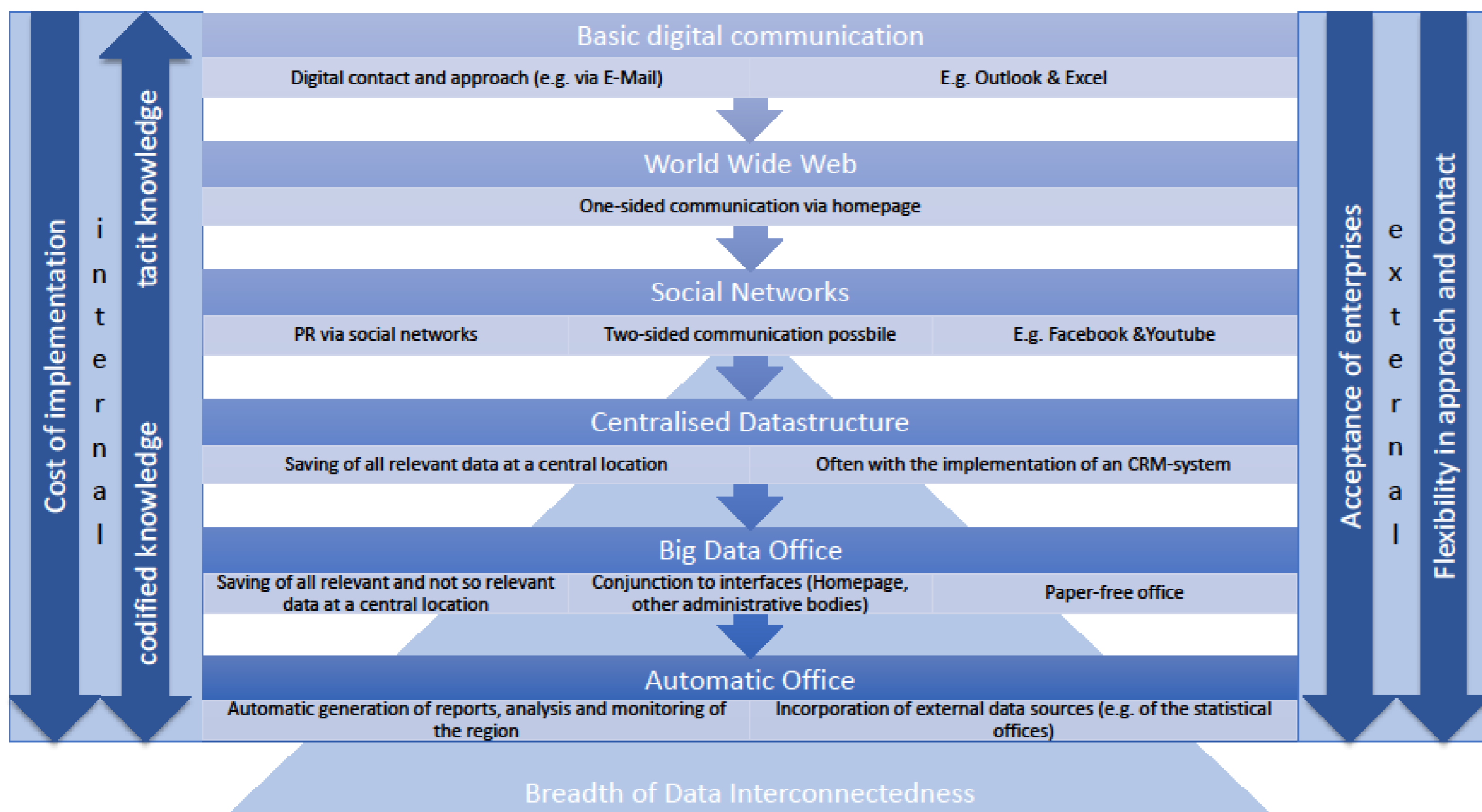


Application and Potential of Digitalization for the Promotion of Business Development



Phase model of internal digitalization process in business development agencies

The figure shows the conceptualized phases of the digitalization process abstracted from the results of the interviews of German business development agencies. There are six stages with the interviewed agencies being located within the first five. The sixth stage has been identified as a potential future step in the digitalization process.

On the left the internal effect of an increase/decrease of digitalization and on the right the external effects are shown.

E-Government & Business Development

E-Government initiatives can be defined as the attempt to improve the efficiency of government via the usage of technologies (Fang 2002) and are focused on services utilizing the internet (UN & ASPA 2002) and other ICTs (Jaeger 2003). They can improve the access to governmental information and services strengthening the participation of citizens (Yildiz 2007; Guida & Crow 2009). Business development agencies are beginning to realize the need to become more digital (e.g. Westphal et al. 2020).

Prerequisites

Prerequisites for the digitalization process can be categorized into two groups. The first group contains the essentials, being the political awareness, the availability of technological infrastructure and the administrative openness. These aspects enable the optimization of the more direct prerequisites of the digitalization process: the personnel and financial influences, which are necessary to address for a smooth digitalization process.

Internal Digitalization Process

To assess the internal digitalization process of business development agencies in Germany we interviewed suppliers of digital tools, staff of the agencies and municipal executive departments of digitalization.

Interviewed agencies are showing a high diversity in the phase of their digitalization process. It ranges from using Outlook/email to paper-free offices with conjunctions to other administrative bodies and to contact interfaces (phone, email etc.) which we translated into the shown phase model.

Digitalization in Economic Development

Is there really a need for a guided and formal digitalization process in business development agencies?

Yes as it a) reduces routine work b) codifies tacit knowledge and increases information flows and c) increases the reach.

This leads to agencies being able to react faster and to focus more on the qualitative tasks (e.g. consulting).

But agencies are focusing more on face-to-face contacts and while seeing the need for further digitalization they often act reluctant implementing mostly on a low-threshold level with small steps.

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