

A review of an article (carr)

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A Review of an Article (Carr) The article describes the rapid advancement of IT and the extent in which businesses have embraced it over the years as the backbone of their processes in order to put them ahead competitively (Carr, 2003). The management of many of these companies has put IT at the forefront of their strategic plan in order to gain a competitive edge over their industry rivals. This explains the reason why IT expenditures have risen from less than one percent in the 60s to over fifty percent currently. However, the article argues that the value of IT in offering competitiveness to companies has greatly declined causing a necessity for the top managements strategically to evaluate their position on IT investment (Carr, 2003).

Numerous correspondences cited on this article closely relate IT with previous technologies in terms of their growth but most importantly, they have likened IT to infrastructural technology (Carr, 2003). There are great similarities that exist between their characteristics considering their shareability nature since they offer more value than when they are customized. IT is best suitable when partnered with other firms in order to yield the highest level of results exemplified by early technologies like Electricity and rail transportation, which is the very nature of IT (Carr, 2003).

The article further argues that for a technology to be competitive it must be owned and should be able to differentiate an organization from their competitors. This is not so with IT because many companies have the ability to reproduce on the shelf similar products to serve similar purpose.

Additionally the cost of IT products has drastically gone down therefore almost all organization can afford the IT investments eliminating the uniqueness that IT can offer for competitiveness.

Therefore, the article concludes that for companies to be able to rely on IT as a strategic goal to competitiveness, they should consider changing their overall perspective. They should endeavor to reduce the costs invested in IT through evaluating the returns that IT investments offer. Companies should ensure that they get longer IT value and should not always rush to upgrade their IT resources without doing a need assessment because not all IT investment bring equal financial returns (Carr, 2003).

References

Carr. N. (2003). IT Doesn't Matter. Harvard Business Review. 5-12.