UNIT 3
INTRAORGANIZATIONAL ELECTRONIC COMMERCE

Internal commerce is the application of electronic commerce to processes or operations.

Specifically, we define internal commerce as using methods and pertinent technologies for supporting internal business processes between individuals, departments, and collaborating organizations.

It is of two types
1. Private commerce
2. Public commerce

> In a general sense, the term Information System (IS) refers to a system of people, data records and activities that process the data and information in an organization, and it includes the organization's manual and automated processes.

> In a narrow sense, the term *information system* (or computer-based information system) refers to the specific application software that is used to store data records in a computer system and automates some of the information-processing activities of the organization.

> These forces are commanding a rethinking of the importance of the networks-computers and communications and their role in the better utilization of corporate information in operational and analytical decision making.
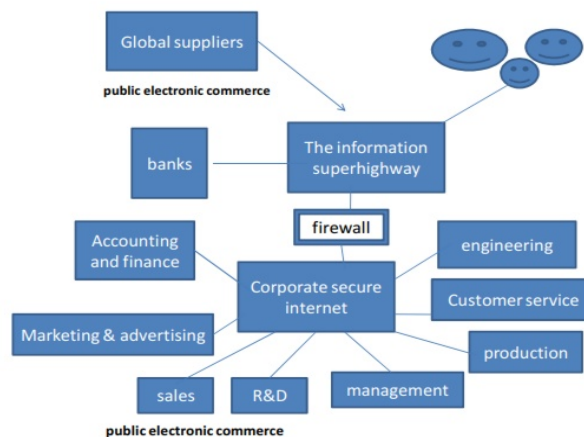
> **Information architecture (IA)** is the art of expressing a model or concept of information used in activities that require explicit details of complex systems.

> Among these activities are library systems, content Management Systems, web development, user interactions, data base development, programming, technical writing, enterprise architecture, and critical system software design.

Most definitions have common qualities: a structural design of shared environments, methods of organizing and labelling websites, intranets, and online communities, and ways of bringing the principles of design and architecture to the digital landscape

What Is Cross-functional Management?

> **Cross-functional management (CFM)** manages business processes across the traditional boundaries of the functional areas.

- CFM relates to coordinating and sneering the activities of different units for realizing the super ordinate cross-functional goals and policy deployment.

- It is concerned with building a better system for achieving for achieving such crossfunctional goals as innovation, quality, cost, and delivery.

WORK FLOW AUTOMATION AND COORDINATION

- In last decade, a vision of speeding up or automating routine business tasks has come to be known as work-flow automation.
- This vision has its root in the invention of the assembly line and the application of Taylor's scientific management principles.
- Today, a similar trend is emerging in the automation of knowledge-based business processes called work-flow automation.
- The goal of work-flow automation is to offer more timely, cost-effective,and integrated ways to make decisions.
- Typically, work-flows are decomposed into steps or tasks, which are task oriented.
- Work-flows can be simple or complex.
- Simple work-flows typically involve one or two steps or tasks.
- Another way of looking at work-flow is to determine the amount of cross-functional activity.
- In other words, companies must adopt an integrated process view of all the business elements Organizational integration is extremely complex and typically involves three steps
- Improving existing processes by utilizing technology where appropriate.
- Integrate across the business function offer identifying the information needs for each process.
- Integrating business functions, application program interface, and database across departments and groups.
- Complex work-flows involve several other work-flows, some of which Executes

simultaneously.

Work-Flow Coordination:

- The key element of market-driven business is the coordination of tasks and other resources throughout the company to create value for customer.
- To this end, effective companies have developed horizontal structures around small multifunctional teams that can move more quickly and easily than businesses that use the traditional function-by-function, sequential approach.
- Some of the simplest work-flow coordination tools are electronic forms routing applications such as lotus notes.
- As the number of parties in the work flow increases, good coordination becomes crucial.

Work-flow related technologies:

- Technology must be the engine for driving the initiatives to streamline and transform business interactions.
- Large organizations are realizing that they have a middle-management offer all the drawn sizing and reorganization of fast few years.

> ➢ Pressures for more comprehensive work-flow systems are building rapidly.
> ➢ Work-flow system are limited to factory like work process.

Middleware is maturing:
> ➢ By this users or third-party providers need to learn how to develop work-flow applications within middleware environment.

Organizational memory is becoming practical:
> ➢ The new tools for memory becoming advancing towards what can be called the corporate digital library".

CUSTOMIZATION AND INTERNAL COMMERCE
> ➢ Technology is transforming consumer choices, which in turn transform the dynamics of the marketplace and organizations themselves.
> ➢ Technology embodies adaptability, programmability, flexibility, and other qualities so essential for customization
>
> ➢
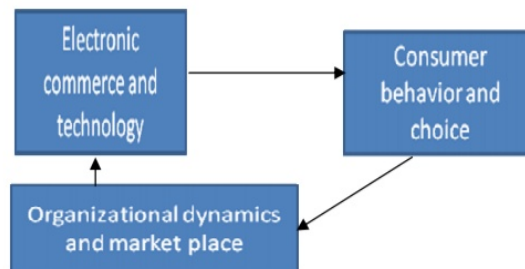
Mass customization, in marketing, manufacturing, and management, is the use of flexible computer-aided manufacturing systems to produce custom output. Those systems combine the low unit costs of mass production processes with theflexibility of individual customization   "Mass Customization" is the new frontier in business competition for both manufacturing and service industries.

Implementation:
> ➢ Many implementations of mass customization are operational today, such as software based product configurations which make it possible to add and/or change functionalities of a core product or to build fully custom enclosures from scratch.
> ➢ Companies which have succeeded with mass-customization business models tend to supply purely electronic products.
> ➢ However, these are not true "mass customizers" in the original sense, since they do not offer an alternative to mass production of material goods.

Four types of mass customization:
> ➢ **Collaborative customization** - Firms talk to individual customers to determine the precise product offering that best serves the customers neeeds.

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➢ **Adaptive customization** - Firms produce a standardized product, but this product is customizable in the hands of the end-user.

➢ **Transparent customization** - Firms provide individual customers with unique products, without explicitly telling them that the products are customized.

➢ **Cosmetic customization** - Firms produce a standardized physical product, but market it to different customers in unique ways.
  • Most of the written materials and thinking about customization has neglected technology.
  • It has been about management and design of work processes.
  • Today technology is so pervasive that it is virtually impossible to make clear distributions among management, design of work, and technology in almost all forms of business and industry.
  • Technology has moved into products, the workplace, and the market with astonishing speed and thoroughness.
  • Mass customization, not mass production.
  • Today the walls that separated functions in manufacturing and service industries alike are beginning to fall like dominoes.
  • Customisation need not be used only in the production of cars, planes, and other traditional products.
  • It can also be used for textiles and clothing.
  • Technology is also enabling new forms of customized production in apparel industry.

What is Supply chain?
  Consists of all parties involved, directly or indirectly in fulfilling a customer request.

SUPPLY CHAIN MANAGEMENT (SCM)

  • **Supply chain management (SCM)** is the management of a network of interconnected business involved in the ultimate provision of product and service packages required by end customers.
  • Supply Chain Management spans all movement and storage of raw materials, work-inprocess inventory, and finished goods from point-of-origin to point-of-consumption.
  • Supply Chain Management can also refer to supply chain management software which istools or modules used in executing supply chain transactions, managing supplier relationships and controlling associated business processes.

Supplier → Manufacturer → Distributor → Retailer → Customer

The Management Components of SCM:

The literature on business process re-engineering, buyer-supplier relationships, and SCM suggests various possible components that must receive managerial attention when managing supply relationships. Lambert and Cooper (2000) identified the following components which are:

-Planning and control
-Work structure
-Organization structure
-Product flow facility structure
-Information flow facility structure
-Management methods
-Power and leadership structure
-Risk and reward structure
-Culture and attitude

Reverse Supply Chain:

Reverse logistics is the process of planning, implementing and controlling the efficient, effective inbound flow and storage of secondary goods and related information opposite to the traditional supply chain direction for the purpose of recovering.