Commit 2.0

Contents

[Executive Summary 1](#_Toc420445033)

[Introduction 2](#_Toc420445034)

[Porter’s Five Forces Model 2](#_Toc420445035)

[Knowledge Management and Business Intelligence (BI) 3](#_Toc420445036)

[Website and Social Media 4](#_Toc420445037)

[Security and Mobility 5](#_Toc420445038)

[System Customisation 6](#_Toc420445039)

[Conclusion 7](#_Toc420445040)

[Reference List 7](#_Toc420445041)

# Introduction

The initial response to the current running of the business is that it is seriously lacking in ways of attracting new customers and is in serious risk of declining over the next few years. The poor knowledge management and use of business intelligence is largely to blame. In addition the current systems in place for tracking application processes and onsite visits are either out dated or non-existent. These are serious issues that need to be addressed immediately or the business will suffer.

# Porter’s Five Forces Model

The current state of Conundrum Consultants (CON), is very fairly even in terms of buyer power and supplier power, however it could easily skew in favour of buyer power quickly.

The graph below showing the total Revenue per applicant for the year of 2014 can be used to highlight the current state of power and value, in addition to predicting future shifts based on the current challenges being faced by the business.

As you can see in the graph, majority of CON’s building Revenue comes from companies or corporations with very little coming from individual people. This could mean that for companies, CON is a good way for them to achieve their permits possibly because it’s cheaper than competitors or more efficient for them. The fact that individuals such as “Jack Harris” and “Sarah Smith” have no building permits processed through CON indicates they most likely received the building permit from a different surveyor firm, telling us they have buyer power in more choice of who to do business with and can possibly get a better price. At the same time, the lack of building revenue from these individuals while still receiving health and roads permit applications could be an indication the competitor does not offer these permit services and are limited purely to building permits. This gives CON supplier power in offering a service competitors might not be.

While the share of power is fairly even currently, given the problems being faced by CON in regards to the length of the approval process, as well as unnecessary work load on staff, it would be very easy to buyers to gain power. If a competitor suddenly started offering health and roads permits at a competitive price, while being more effective in their communication with clients and efficient in the process, buyers might just go elsewhere for their permits.

The main cause of this shift would be the current application process, the numerous flaws with the system, such as lengthy approval times, poor documentation of website communication, and wasted resources, has a high risk of causing CON to lose some of its supplier power.

# Knowledge Management and Business Intelligence (BI)

Knowledge management is an important part of the business as it ensures the all areas of the business perform to the level expected of them and have the information required to do so. It can provide a competitive advantage by distributing a organisations knowledge base amongst various employees of the business (Baltzan, Lynch & Blakey 2013, p. 433). Knowledge management also can be improved upon with the help of business intelligence. Business intelligence (BI) is used to analyse metrics in sales and business profitability to make decisions on certain aspects of the business.

Currently some of the senior employees are not documenting or communicating the knowledge they have about certain business aspects and this is causing problems in other areas of the business. Having weekly team meetings about the weekly activities that occurred and team brain storming on ways to fix problems that are occurring the business, such as cancelled applications or queries received from the website.

Below are graphs containing the projections for number and permits and revenue for each depart for the years of 2014 – 2016. These are very useful tools in assisting with BI. For example both the graphs show a decline in number of permits and total revenue for each department. This trend suggests that the business is most likely not receiving any new customers, and the current customers are either not satisfied to become a repeat customer or no longer require the services provided.

# Website and Social Media

Another big issue with the current operation of CONs Company is the lack of marketing they actively do. Word of mouth is a good way to start but has its limitations on the amount of people it can reach. A cheap method to spread the word about the business is social media. Facebook has become a huge platform for not only connecting with people, but also detailing your business and products. There are both pros and cons of using social media such as Facebook and Twitter to market your business.

Some of the pros include interaction with your customers. Social media provides and easy to use medium in which you can directly respond to customer queries and questions. It is also a good place to post announcements of upcoming offers or events you may have. A reason social media would be good for CON is because it expands on the already word of mouth method currently being used. By creating a Facebook page, customers can easily click a button to share all the information about your business to their friends.

As well as the positives there are also a significant number of negatives that apply to using social media as marketing. The biggest one that CON may encounter is how public social media is. Nearly everything people write can be viewed by other people visiting your page, such as bad reviews or poor customer service experiences they may have had. Given the current flaw in CONs system and the length of the application process it’s very possible they could receive a lot of negative reviews on their social media page thus deterring potential clients from using their service.

The use of social media can also direct people to your website where they can get further information about your services and also get forms. The current website has a few problems wrong with it, once again a lack of communication is leading to problems in the rest of the business. Customers placing queries through the website are not being recorded, this combined with the lack of information and services available on the website is making it hard to track if it is encouraging any new customers. While you’re still able to monitor network traffic to your website, this information is usually unreliable and inaccurate. One of the reasons for this is it’s very hard to analyse exactly who the traffic is from. There are a number of different categories in which your website users might fall into, these include: unique visitors, number of returning visitors, the number of exits, which search engines visitors used, where visitors join, etc. (Hoďáková & Némethová, p. 39). Even if your able to determine which of these the person was the time and analytical data required to determine is time consuming.

Some ways in which you could improve the website to enhance your financial situation as well as indicating if any new business is coming from the site itself are:

* Implementing a database to keep track of any queries and information that is received by the website.
* Allowing customers to fill out application forms on the website to then be forwarded to the respective departments for review. This can be expanded upon by also implementing an application tracker, where customers are able to see the status of their current applications.

# **Security** and Mobility

Security is a major concern, especially when you’re handling sensitive data such as people’s personal details. The current system in place is very susceptible to a number of security risks, putting their customer’s personal information at risk of being compromised. These include both internal and external threats, some of these threats are:

* The information of CONs operating is not well documented and could lead to misplaced documents being easily forgotten or assumed to have never existed in the first place.
* Applications are sent by email which is not a very secure way of handling the type of sensitive information contained in the forms.

A solution to both these problems if implementing a database system in which all user data will be stored. The data can then be accessed whenever needed by departments and the people who require access to it. A database system inside of an organisation is also a lot more secure than emails which could easily be compromised by employees and their actions of staff computers.

Another thing to consider is how your customers and stakeholders would like to access your services or communicate with you. At this stage many of your stakeholders are mobile and not always be able to reach CON in person. With the current surge in the use and access to electronic devices and smart phones adopting an m-business system could be a way to ensure your customers are satisfied and able to use your services no matter what. Some of the benefits and reasons to adopt an m-business system are: “the convenience of it offers tremendous opportunities to expand a client-base by eliminating some of the customers’ labour of life's activities; vendors can deliver promotions based on the user's location, and real time discounting may become the ‘killer application’; and personalized information and transaction feeds (such as past behaviour, situation, profile), via mobile devices, offer the greatest potential for the customization necessary for longterm success.” .(Raj & Gururajan, 2007, p. 21) Some of the ways in which this could be achieved are:

* Developing a mobile application that interacts with the website data to submit and track application process.
* Mobile tracking for employees making visits to sites in order to update their current position and estimated time until reaching destination.

# System Customisation

The current system used to track employees responsible for online visits is out dated and is need of an upgrade. There are two main choices for building the time and attendance system, the first is using CON employees, the second is purchasing an off the shelf product of outsourcing the job to another company. Both of these solutions have pros and cons associated with them that need to be considered.

The first option of using CON employee’s to build such a system has the following pros:

* Knowledge of the exact requirements needed by CON in such a system.
* By building it themselves they are more likely to understand exactly how it works, and require less training in how to use such a system.
* Easier to build on system currently in place leading to less problems when transitioning to new system.

The Cons are:

* The cost of building your own system from scratch if needed can be extremely high
* Employees may not be as knowledgeable about the type of system they are building as another company who specializes in it.
* Resources required in regards to staff and time to build a system

The second option of buying an off the shelf system and possibly outsourcing further development pros are:

* Can be cheaper since the product is available to multiple people and doesn’t require any of the development costs.
* Specialize in the system they are making and likely to be more knowledgeable in it.
* Already available, no waiting on development time.
* Likely to have support services offered in addition to maintenance of the system.

The cons are:

* Might not be exactly what you’re looking for.
* Requires more staff training in how to use the new system, which takes time and costs money.
* May not integrate with other systems currently in place.

(Kremic, Tukel & Rom, p468 – 470)

Based on the examples I have given above I would recommend buying an off the shelf product and then if the need be looking at outsourcing work for any adjustments and changes that are needed in order to meet your requirements.

# Conclusion

In conclusion there are a number of issues with the current operations of CON and the business is suffering because of them. Most of them have solutions available and should be addressed as soon as possible, if not immediately. The biggest of these issues being the lack of communication and use of BI to make decisions about risk areas that require attention. This is followed closely by the lack of ways to monitor any new customers as well as to attract them in general.

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