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Information Security & Mobile Applications and  
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**IT Governance, Risk & Information**  
**Security Management**  
Collab Activity 01

**Report Writing**

[Re-development of Organizational Structure of Existing  
Business using IT Governance]

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## Evaluation Criteria

Name	Case Study Analysis (15)	Topic Knowledge (05)	Report (05)	Total (25)
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## Introduction

During the COVID-19, we saw a boom in the Pharmaceuticals and the IT Sector. Therefore, as an example, we have considered our business to be a Pharmacy Retail Shop, named LIFESERV Pharmaceuticals. We have studied similar businesses in our region & found out about their organisational & functional structure. Accordingly, we have developed our Business & Risk Management strategies.

Now, to brief about our business, LIFESERV Pharmaceuticals, is both an offline Pharmaceutical Shop, where we provide customers who visit with prescription, the required meds, along with ties with e-commerce platforms like 1mg, Netmeds & Pharmeasy, where we provide our stock details to those 3<sup>rd</sup> party & when we receive any order through them, we process the order, pack the meds & hand over to the delivery executive.

## Market Study

What we came to know from looking & the similar kind of pharma shops in our regions is that, mostly have a similar kind of organisational structure. There is the Proprietor / Manager, who is looking after everything happening in the shop, starting from billing, to responding to customers, to maintenance of stock & securing the premises. Some have Computers for billing purposes & CCTV Cameras Control. A few shops also have other pharmacists, who helps the proprietor dealing with customers.

According to us, this is not an effective & efficient way of doing a business. Due to handling a lot of jobs, the proprietor can make mistakes, which may result in business losses. Moreover, we found out that, it takes a lot of time to serve customers in that business structure.

## IT Governance in Business

Basically, IT Governance is to develop a framework for businesses that integrate everyday functionalities of the business with IT Infrastructure thus enabling efficiency in overall management of the business while dealing & mitigating business risks efficiently.

In our case, IT Governance helps us to automate a lot of everyday functionalities. Its ERP Software deployment helps in managing a lot of everyday business tasks easily.

- Starting with keeping stock of medicines, along with its details & location in the store, helping in serving the customer faster.
- Then fixed format bill printing with ERP, means easy & accurate calculation of prices, along with quicker bill generation.

- Integrating payment software like UPI to the ERP to ensure that payments can be done easily & securely.
- The ERP software can help business know their everyday transactions in a ledger format with accurate results & calculations.
- ERP can help in maintaining of the payments made to the employees of the shop.
- ERP extends business in the online sector, managing stocks of medicine, accepting order requests, thus enabling to generate a lot more revenue.

## Storyline

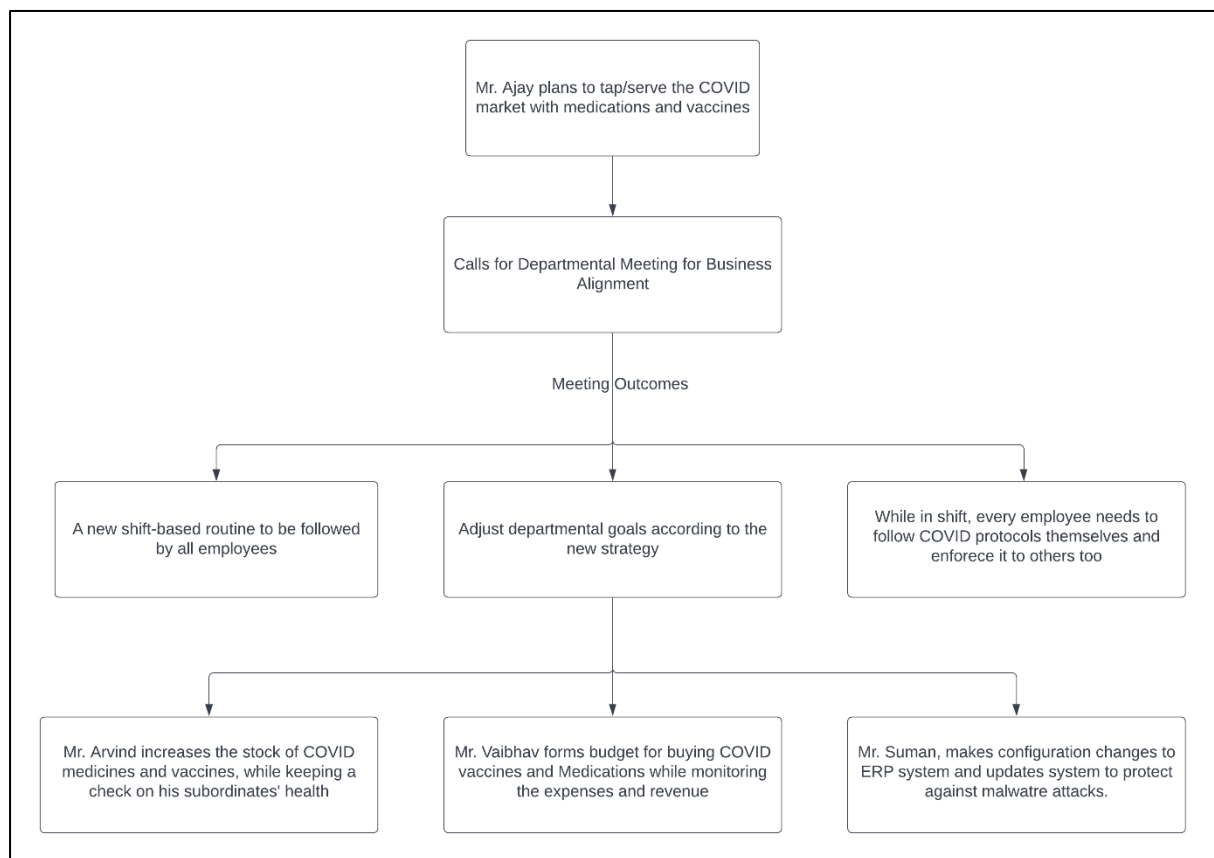
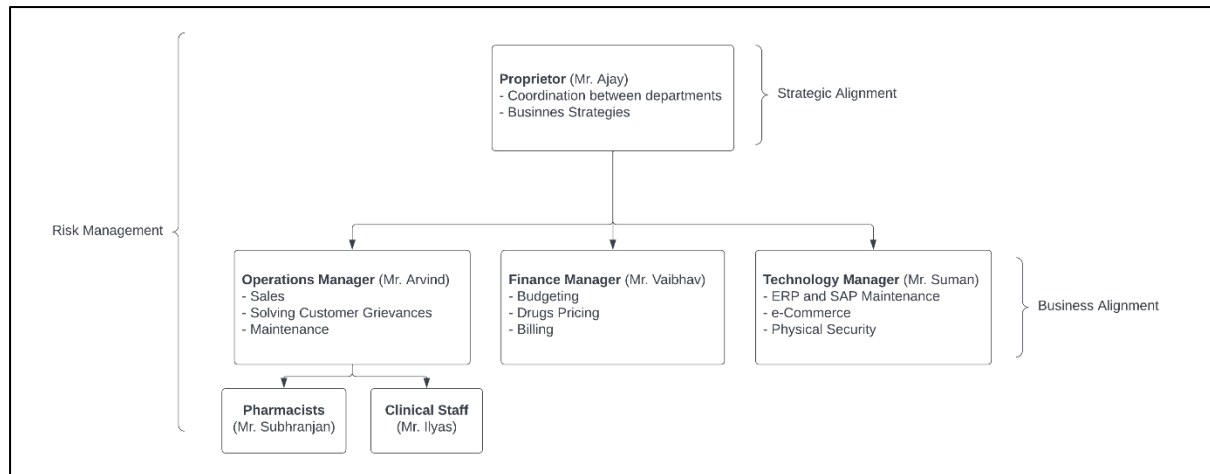


Figure: Flowchart of our example case

## Organisational Structure

Keeping in mind about effectiveness & efficiency, we have developed an organisational structure that can help the Pharma Retail Shops. And we will explain it by implementing it in our own shop, LIFESERV Pharmaceuticals.



**Figure:** Organizational Structure with Alignments & Risk Management

According to our organisational structure, Mr. Ajay is the Proprietor of the shop.

- He is responsible for developing business strategies, as in, what will be the goals of the business, in which direction will the business move forward, and convey it to the departments working under his post.
- He is also responsible for ensuring coordination between departments & resolve conflicts (in any arise) between the departments.
- He also ensures that the shop has the proper valid licenses to operate & insurance to its shop & his employees to mitigate risks (if any).

Our, Operations Manager, Mr. Arvind, will mainly deal with customers along with his sub-ordinates, Mr. Subharanjan & Mr. Ilyas who are Pharmacist & Clinical Staff respectively.

- Their main work is to deal with customer requests, as in providing medicines, according to the prescription, informing customers about the correct dosage of those, resolving customer grievances (if any), maintenance of the shop, keeping a check of stock of medicines in the shop & restocking those, as & when necessary.

Then we have our Finance Manager, Mr. Vaibhav, who will be dealing

- with the billings of the medicines brought by the customer & charging them accordingly.
- He also will keep a record of the online sales of the medicines & the revenue generated through that medium.
- Accordingly, he will have to budget for the financial expenditure for the shop, i.e. Buying stock of medicines, repairing components & maintenance of the shop along with payment of salary to every member working in the shop & also keep record of the profits generated or loss incurred on a quarterly or yearly basis.

And at last, we have, Mr. Suman, our Technology Manager. He is the one who integrates technology into our business, thus ensuring IT Governance.

- All the stock details, billing details, payment details, attendance details etc. in the shop is maintained with the help of an ERP or SAP Solution, configuring which falls under him.
- He will maintain access control in the ERP software too, so that, every member of the shop, gets access to their work-related items inside the ERP, & should also update the ERP System time-to-time with security updates, to protect the business from ransomware attacks.
- Other than that, he needs to maintain physical & perimeter security by installing CCTV Cameras, in and around the shop. He, need to maintain the Ink in the printer, which is required to print bills, and provide & maintain online payment system support.
- He also must ensure that the ERP system is working in synchronization with the e-commerce platforms, so that the meds listed in the platform doesn't have any misinformation, like showing correct meds that are present in the shop & are in stock etc.

## A ) Strategic Alignment

Basically, strategic alignment is the arrangement of various internal & external elements of an organisation – from its business strategy to its organisational structure – to best support the achievements of its long-term goals & purposes.

Now, relating this to our LIFESERV Pharmaceuticals Business, we have already developed our organisational structure. Now Mr. Ajay is responsible for strategizing on which direction to take our business towards.

- In the COVID-19 situation, Mr. Ajay had focused on serving more to the COVID patients with medicines & vaccines, so that, business can generate more revenue & sustain in the offline market conditions. Now, this strategy is conveyed to the departmental heads, i.e. Operational Manager, Financial Manager & the Technology Manager, through a meeting.
- He also needs to help departments to manage their job with increased operational hours, to fulfil his business goals & strategy. And for that, he must share their part of work time-to-time, for which he can develop a timetable relating to their shifts and enforce it to the different departments. He also must ensure that govt. laid COVID protocols are followed across his shop.

## B ) Business Alignment

It is a way professionals can arrange the elements of their company to work together to achieve business objectives.

Now, for our LIFESERV Pharmaceuticals Business, the strategy alignment has already been done by the proprietor. Accordingly, the Departmental Managers, must make changes into his own department, so that the business follows the strategy laid down by the proprietor. This would then lead to the fulfilment of the Business alignment of ours.

For Operational Sector, Mr. Arvind should

- Need to increase stock of COVID related medicines & vaccines, therefore reducing other non-covid medicines, since warehouse space is limited.
- Need to ensure govt-laid COVID protocols, to keep business operational during the COVID. This includes maintaining distance & operating, regular interval temperature checks, sanitising hands & workplace & ensure its customers also follow the same with the collaboration of the Technology Manager. He should also check that his employees, Mr. Subharanjan & Mr. Ilyas are also following & ensuring the same.
- Have longer operational hours to fulfil customer needs & govt. regulations. He must follow the new routine of shifts & also enforce the same to his sub-ordinates, while ensuring their health status is good.

For Finance Sector, Mr. Vaibhav should

- Form a budget, to cater to needs of buying medicines & vaccines for COVID & simultaneously monitor the expenses & revenue generation. Also, he ensures that the employees get over-time payments accurately
- Ensure govt-laid COVID protocols are followed by himself & during his shifts like maintaining distance & operating, regular interval temperature checks, sanitising hands & workplace etc.
- Also need to work in shifts to keep the shop operational & therefore need to collaborate with another department heads & proprietor to work according to the new routine.

For Technology Sector, Mr. Suman should

- Make necessary configuration changes to the ERP system, according to the new routine, regarding access control, stock database management and financial reports generation, so that smooth functioning of the business stays intact.
- Work in shifts & ensure govt-laid COVID protocols are followed by himself & during his shifts like maintaining distance & operating, regular interval temperature checks, sanitising hands & workplace etc. He should also

help, Operation Department with his CCTVs support, to ensure customers in the shop are following COVID protocols as well.

- Learn about new ransomware attacks & other types of Malware attacks & update the ERP system to keep it functional throughout.

## C) Risk Management Strategies

A risk management strategy is a structured approach & a cyclic process of addressing risks where new ongoing risks are continually identified accessed, managed & monitored, and can be used in companies of all sizes and across any industry.

Now, relating this to our LIFESERV Pharmaceuticals Business, we have already discussed a lot of risk mitigation process like:

- Ensuring govt-laid COVID policy is followed, failing which might lead to closure of the shop during its operational hours, thus causing revenue losses & not to mention health hazard to its employees.
- Ensuring that ERP systems are updated in accordance to the latest security patches released, so that Industrial Control Systems / Operational Threats affecting our business can be mitigated easily.
- Insurance is a good risk mitigation technique. There are different types of insurance for pharmacy shops, shopkeeper's insurance, availing which would help to recover in case of any disaster. It's the duty of the proprietor to ensure this.

## Conclusion

By comprehending and analysing other comparable businesses and their functions, we were able to pinpoint the weaknesses in the structure and functionalities of the pharmacy firm under review. Several efforts were put into place in the example company's operating business in response to these results. IT governance is crucial to a company's growth and development in a safe and financially viable way, which ultimately leads to the achievement of its organisational goals as well as social and cultural goals.

Any firm can become strong enough to adopt Risk Management, Business Alignment, and Strategic Alignment using IT governance. This allows them to develop Strategies that are successful and efficient. Making various departments and their staff collaborate to accomplish their corporate objectives.