

Name: Lum Chee Xiang Michael (Lan Zhixiang)
Student ID: 111102750
Assignment 4

Module: Information Systems – Foundation of E-Business
Module number: CO1108-01

University of London International Programmes
BSc in Computing and Information Systems – Information Systems: Foundation of E-Business
Module number: CO1108-01
Assignment 4

Question 1

Using your knowledge of the internet, write a 500-word proposal outlining the advantages and disadvantages of Best Properties UK creating an online version of their business. Propose a set of the business processes needed to allow a customer to rent a house online using the Best Properties website. Also draw a value chain containing primary and secondary activities that would need to be performed by Best Properties UK.

*Assumptions:

- Best Properties wants to establish an e-commerce website that is capable of facilitating all forms of essential property-related transactions over the Internet.
- Best Properties UK is in charge of not only helping home owners sell / rent out their properties, but also collecting payment on behalf of them as an added service
- The act of having property agents seek out leads and potential sellers on their own will be replaced by having home owners contact BPUK directly with the introduction of the e-commerce website, with agents subsequently being assigned to various clients based on availability

*Abbreviations (used universally unless otherwise stated):

- Best Properties UK → BPUK
- Business processes → BP
- Value chain → VC
- Primary activities → PA
- Secondary activities → SA

Answer

Proposal: Establishment of online business

Introduction: This report outlines the advantages and disadvantages of establishing an online version of BPUK's business and the processes needed to facilitate online transactions.

Context: A list of criteria BPUK needs to ensure are in place before a successful establishment of an online version of its business can occur

BPUK needs to be aware of the advantages and pitfalls associated with e-commerce in today's digital age. This table will illustrate some common characteristics and how they apply to the company

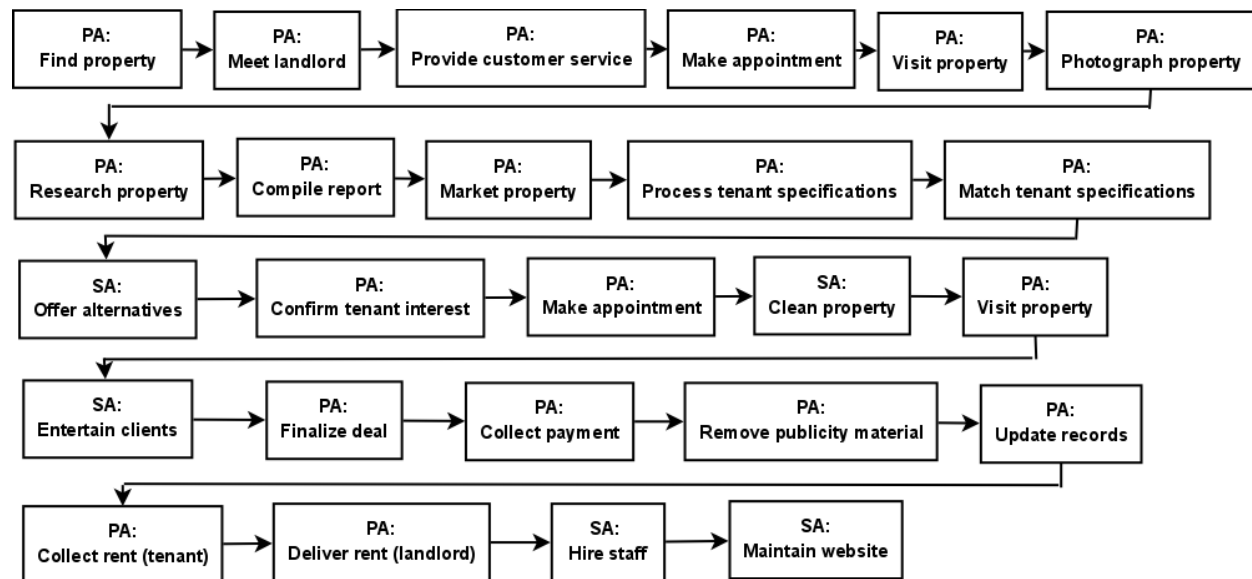
Advantages	Disadvantages
<p>Convenience (Rosenoer, Armstrong & Gates, 2000, p. 19)</p> <p>BPUK's website can automatically process requests even during non-operational hours, thus potentially increasing profits and revenue.</p> <p>Also allows BPUK to easily communicate and network with stakeholders via a standard platform via individualized content, which increases stakeholder intimacy</p>	<p>Hidden costs (Stephens, 2011, paras 13 – 14)</p> <p>The costs involved in setting up a professional website and marketing it may offset any potential costs savings in the short to medium term.</p>
<p>Global presence (McEachern & O'Keefe, 1998, p. 34)</p> <p>Allows BPUK to establish a presence on the global network; useful if BPUK intends to expand its business overseas.</p>	<p>Typical Internet-centric threats (Stephens, 2011, paras 15 – 16)</p> <p>An e-commerce website requires the creation of both an intranet and extranet: opening up an extranet without sufficient security in place can lead to security breaches which will have adverse effects on stakeholder confidence</p> <p>Other threats include spoofing and phishing..</p>

<p>Dynamic and rich content (Shipsey, 2010, pp 56 – 57)</p> <p>Technological advancement has made it possible to embed rich content into webpages to provide visitors with a unique experience.</p> <p>The dynamic nature of the Internet allows for easy updating of information; this ensures accuracy and timeliness</p> <p>Cost savings (“Advantages of e commerce”, 2012, para 2)</p> <p>Operation costs of online businesses are extremely low. Properly exploited, this can lead to tremendous cost savings.</p> <p>Establishment of competitive advantage (Iyer, n.d., para 4)</p> <p>The aforementioned cost savings will free up more resources for use in establishing other competitive advantages, which can potentially further improve customer intimacy and ensure survival in the properties market.</p>	<p>Competition (“Pros and cons of Internet marketing, n.d., para 7)</p> <p>The barriers involved in setting up an e-commerce website are little to none: regardless of its reputation, BPUK will be just one of many similar property e-commerce sites.</p> <p>Lack of human interactivity (“Pros and cons of Internet marketing, n.d., para 6)</p> <p>BPUK prides itself on customer service; this may be affected as support will likely be handled by intelligent reply-bots, emails and FAQs instead of human interaction.</p> <p>(empty)</p>
--	---

BPs for online rental (Organization's POV)

- Process specifications
- Match specifications
- Confirm interest
- Visit property
- Finalize deal
- Collect payment
- Remove publicity material
- Update records

Value chain



Conclusion

The benefits of setting up an online business outweighs the costs, but BPUK needs to manage this transition well in order to retain its current competitive advantage of being able to offer an extremely high level of personalized customer service.

Word count: 502 (including ITCs)

Question 2

Using your understanding of resistance to change and the case study above, write a 500-word report informing the Best Properties management team of ways in which it could minimise the levels of resistance to change associated with the introduction of the new website.

*Assumptions made:

- The act of having property agents seek out leads and potential sellers on their own will be replaced by having home owners contact BPUK directly with the introduction of the e-commerce website, with agents subsequently being assigned to various clients based on availability
- BPUK's property agents are grouped into teams, and are under the direct supervision of a 'team leader' who keeps track of each agent's performance
- BPUK currently has a large number of receptionists and customer support staff under its employ due to its emphasis on providing a high level of personal service
- With the completion of the new website, all transactions between BPUK and its stakeholders will shift from a mixture of traditional paper-based records and digital records to full-digital records.

*Abbreviations used:

- RTC → Resistance to change
- ERTC → Employee resistance to change
- ORTC → Organizational resistance to change

Answer

Report on ERTC

Introduction: Changes to an organization's workflow or business model will definitely result in RTC (Daft & Noe, 2001, pp. 629 – 630). This report will explain the reasons behind RTC, and how RTC can be addressed / minimized

Context: BPUK's adoption of e-commerce and the various sources of RTC that it can expect to deal with from such a move

By adopting e-commerce into its workflow, BPUK can expect to experience RTC from multiple sources, especially if the adoption has adverse effects on employee job security, responsibilities and workflow, among other aspects (Daft & Noe, 2001, pp. 629 – 630). These are some areas where RTC may occur:

Source	Justification
Individual property agents and telemarketers	Property agents and telemarketers usually build relationships with and secure clients via informal networking; automating this process through the e-commerce site will affect their ability to secure 'exclusive' clients.
Receptionists and customer support staff	Reduction in degree of personal service may result in downsizing of related departments.
Middle management staff (eg: team leaders)	Team leaders may find themselves made redundant since the new online system is capable of taking over their duties.
Senior staff	Older staff may fear being replaced by younger, more technologically adept workers.

These are some ways BPUK's management can minimize RTC associated with its adoption of e-commerce and still ensure employee satisfaction where possible.

Approaches	Explanation
Education and communication (Hellriegel & Slocum Jr., 2004, p. 422)	BPUK can provide full information about the changes that will be implemented with the adoption of e-commerce into its business model and assure its employees that education will be provided to ensure that they will not risk becoming deskilled when the changes take effect.
Participation and involvement (Hellriegel & Slocum Jr., 2004, p. 422)	Participation involves employees helping to design and implement the proposed changes: by including its employees in the design process, BPUK can identify aspects of change that may affect its staff adversely, while its employees will feel that their concerns are indeed noticed by BPUK.
Manipulation (George & Jones, 2012, p. 577)	If RTC is limited to a small but powerful group of employees (George & Jones, 2012, p. 577), BPUK may resort to political tactics and favours to secure their approval.
Negotiations (Daft & Noe, 2001, pp 631 – 632)	A more formal method of communication and participation which involves high-level meetings between BPUK's management team and its employees' representatives. Allows for legally binding contracts to be drawn up to ensure both parties' commitment in the matter (Daft & Noe, 2001, p. 631).
Coercion (Daft & Noe, 2001, p. 632)	BPUK can use legitimate power to force changes on employees by threatening harsh action (eg: dismissal) for non-compliance (George & Jones, 2012, p. 577).

Conclusion

RTC is a very real issue that BPUK must manage carefully to ensure minimal disruption to its workflow and business processes; the approach BPUK should adopt in dealing with RTC should ideally be proportionate to the degree of resistance it is facing.

Word count: 499 (including ITCs)

Question 3

By applying your knowledge of different types of information systems and the case study of Best Properties UK, write a 500-word report describing the different types of information systems you believe Best Properties UK is (or should be) using, and provide examples of what they would be using each type of system for.

*Assumptions made:

- none

*Abbreviations used:

- Information systems → IS
- Transaction processing systems → TPS
- Management information systems → MIS
- Decision support system → DSS
- Executive support system → ESS
- Knowledge management system → KMS
- Business processes → BP

Answer

Report on IS used by BPUK

Introduction: Any organization will need to have some basic IS in place to facilitate their workflow and business processes. This report will examine the possible IS an organization typically makes use of

Context: A list of IS BPUK currently employs (or should employ) in its day-to-day operations

As a successful real estate business in the UK, it is possible that BPUK has adopted various IS for use in facilitating its day-to-day business operations. The table below describes some of the IS that the organization is likely to have employed in its business:

IS type	Description	Examples
TPS	This is a fundamental IS that any organization is almost guaranteed to have; it facilitates the logging of critical raw data that is captured at the operational levels of the organization's Bps (Laudon & Laudon, 2012, pp 75 – 76). Some TPS have the capability to automate certain BPs as well.	Employee payroll system, computerized tenant query system, property records system, client data system, client/tenant payment system
MIS	Processes and presents raw data captured by an organization's TPS into human-intelligible information and formats. Typically used to provide middle management with status reports and summaries (Laudon & Laudon, 2012, pp 77 – 78).	Agent performance reports, client property and location reports
DSS	Used to support and facilitate low-level, “what if” (Shipsey, 2010, p. 22) decision making processes due to its analytical capabilities, thus making it possible to generate unique solutions for unstructured, non-routine queries.	Property matching system for matching tenant's requirements and specifications to suitable property available

ESS	<p>Used to support senior management in high-level decision making processes that affect the organization's strategic objectives, goals and vision in the “medium to long-term future” (Shipsey, 2010, p. 22).</p> <p>Works by providing easy access (O' Brien, 1999, p. 62) to information obtained from a variety of sources, such as the organization's own TPS, along with data about the organization's external environment (Gupta, 2009, paras 21 – 24).</p>	Dashboards and online mashups
KMS	<p>Knowledge is a vital asset for any organization, especially if it relies heavily of “specialist” workers (Rebitzer & Taylor, 2006, pp 0, 5) who possess intimate knowledge in certain specialized fields.</p> <p>BPUK's property agents, as well as the staff hired to maintain its e-commerce operations, can be considered as specialist workers; a KMS can be used to acquire, create, store, disseminate, apply and integrate knowledge from these specialists to assist BPUK in achieving operational excellence, which can help BPUK maintain a competitive edge and ensure its survival (O' Brien, 1999, p. 62).</p>	

Conclusion

Most businesses today will have a lot of trouble ensuring their survival if they do not employ some form of IS in their daily workflow and business processes. The IS that have been mentioned in this report can be likened to be part of an essential infrastructure that any organization should invest in to prevent being forced out of the market prematurely by competitors.

Word count: 489 (including ITCs)

References (APA style)

- “Advantages of e commerce” (2012) Main advantages and disadvantages of e commerce business. *Ecommerceride*. Retrieved March 26, 2012, from <http://ecommerceride.com/>
- Daft. R. L. & Noe. R. A., (2001) *Organizational behavior*. Florida, Harcourt College Publishers
- George. J. M. & Jones. G. R. (2012) *Understanding and Managing Organizational Behavior – International Edition (Sixth Edition)*. Essex, Pearson Education Limited
- Gupta. A. (2009) Organization's external environment, *Practical Management – Designing a better workplace*. Retrieved March 26, 2012, from <http://www.practical-management.com/Organization-Development/Organization-s-External-Environment.html>
- Hellriegel. D. & Slocum, JR. J. W., (2004) *Organizational behavior 10/e*. Ohio, South-Western Thomson Learning
- Iyer. A. (n.d) Advantages and Disadvantages of E-Business. *Buzzle.com: Intelligent Life on the Web*. Retrieved March 26, 2012, from <http://www.buzzle.com/articles/advantages-and-disadvantages-of-e-business.html>
- Laudon. K. C. & Laudon. J. P. (2012) *Management Information Systems – Managing the digital firm*. Essex, Pearson Education Limited
- McEachern. T. & O' Keefe. B., (1998) *Re-wiring businesses: Uniting management and the web*. Massachusetts, John Wiley & Sons Inc.
- O'Brien. J. A. (1999) *Management information systems – Managing information technology in the internetworked enterprise*. USA, Irwin/McGraw-Hill

Name: Lum Chee Xiang Michael (Lan Zhixiang)
Student ID: 111102750
Assignment 4

Module: Information Systems – Foundation of E-Business
Module number: CO1108-01

“Pros and cons of Internet marketing” (n.d) *BusinessKnowledgeSource.com- Knowledge to help you build your business.* Retrieved March 26, 2012, from http://www.businessknowledgesource.com/marketing/pros_and_cons_of_internet_marketing_023810.html

Rebitzer. J. B. & Taylor. L. J., (2006) *When Knowledge is an Asset: Explaining the Organizational Structure of Large Law Firms* [Internet version]. Retrieved March 26, 2012, from http://ideas.repec.org/p/lev/wrkpap/wp_477.html

Rosenoer. J., Armstrong. D & Gates. J. R., (2000) *The Clickable Corporation: Successful strategies for capturing the Internet advantage.* New York, THE FREE PRESS.

Shipsey. R., (2010) *BSc and Diploma in Computing and Related Subjects – Information Systems: foundations of e-business Volume 1.* London, University of London International Programmes Publications Office.

Stephens. A. M., (2011) *The advantages and disadvantages of Ecommerce.* Retrieved March 26, 2012, from <http://www.articlebanker.com/Art/180408/68/The-Advantages-and-Disadvantages-of-Ecommerce.html>