

Business Strategy in E-commerce

Arti Mitra*

Global Financial Institutions and corporate treasuries worldwide are making success. However, using communication systems as vast as the World Wide Web requires a great deal of strategic thought, planning and ability to deliver. Those who would effectively understand and harness the potential of the Web gain dominant market share. The Internet has everything: instant 24/7 connectivity without software development; global availability; as a single worldwide communications network; up-to-the minute access to information from everywhere; the ability to accurately transfer and process massive amounts of data online- plus an army of developers from every industry constantly creating and refining applications that make Internet access easier and more productive. A new way of managing corporation is revolutionizing the way many successful e-commerce/e-business companies are operating and considerable evidence exists that the operating units of companies adopting this new technology and discovering new opportunities to add value to their firms. E-finance functions companies find new ways to add value as they adopt and integrate e-banking with new innovations. Excellence can demonstrate clearly that higher level performance is achievable and can serve as a blue print for improvement. We see the transition is inevitable, a necessary result of geographic, natural and technologies that has come with the global market place.

E-finance analysis customer credit and supplier viability process, accounts receivable and payable and analysis capital projects, which change products and supplier requirements. Unless all parts of a company participate in its efforts, there are bound to be limits to the firm's ability to improve its processes and services to its customers. Beyond its direct activities in Company's processes and in customer/supplier satisfaction, e-finance plays a special role in the e-commerce e-business. It brings special skills to the e-commerce e-business including its comfort with cash flows and time value of money. Finance members have the ability to see the big picture and how choices affect many parts of the organization.

*Department of Commerce, B.R.A. Bihar University, Muzaffarpur

Finance having to do with goals and objectives, time horizon, position in the company, relationship to others and methods of analysis. Finance accepts the goals of exceeding customer expectations and continuously, improving the company's products and services by improving the processes that produce them. Improving processes is seen as the way to become the industry's quality leaders and low costs that total quality management can produce along with the realistic prospect of continued improvement, is what drives higher shareholder value. It serves for the entire business organism, bring financial resources and analysis to where they can best be used. Finance people perform new roles as quality management broadens their participation within the business. The hard tools relatively easy for finance people to grasp and use include the graphical and numerical techniques with statistical process analysis and control. In addition, there are soft tools such as team based quality recluses management away from stock price minimization and toward customer expectations and process improvement. It lays stress to listen to the voice of the customers and the voice of the investor. The way to listen to the customer as the financial arbiter and to manage the service profit, improve processes and deliver cost effective service to customers who in turn deliver the company's profits.

E-finance goals establish a shared vision, mission and goals in each work unit and for the organization as a whole. E-finance goals are consistent with the goals of the company as a whole and clearly articulated in mission statements and quality policies. The goals of satisfying customers are clear in the finance functions as is the commitment to the long-term survival of the company. Towards the goal of meeting customers' expectations is clear from customers, however, frequently in the context of establishing collaborative customer-supplier relationship. Customer supplier alignment captures the spirit of finance. It is our objective to build and perpetuate a quality organization that supports corporate goals.

Implications for Financial Executives:

The implications for financial executives in adding values to e-commerce/e-business organizations and look for opportunities to support existing efforts and to add contribution finance executives have an opportunity to become champions and lead senior management towards journey in using resources and increase the benefits. Finance executive can achieve improvements in their own processes and to make

contributions and expect to have a lot more fun in their work and more fun for others to work with. Finance executives lead the transformation spend time and energy looking for a building on the conditions that support people embrace and encourage people to integrate e-commerce/e-business and finance function.

E-commerce/e-business and finance aims at continual increase in customer satisfaction at continually lower cost. It is a total system approach and an integral part of high level strategy. It works horizontally across functions and departments, involving all employees, top to bottom and extends backwards and forwards to include the supply chain and the customer chain. The potential for change exists and the degree of change required is dependent upon the balance of forces that drive. The resistant forces may be so as radical transformation may be required and to help sensitive financial professional realistically develop World class competitive work culture.

A new wave of distributed finance and skills throughout the organization. A finance professional is changing his role so that self-audits organization members replacing the traditional internal audit by a few specialists. Examining the trend further, other skills are broadly distributed. Because they listen to their customers so well, they know what they are supposed to do, they measure it. They find out from their customers when they are adding value. The secret of understanding customers when they are adding value. The secret of understanding customers and suppliers what to achieve, identify and simply work, increase reliability and reduce cycle time. Strong, visible and consistent support from the top of the organization. Finance like the rest of the company relying more on key results indicators (KRIs) to focus on efforts to produce better results and to get more emotional attachment to the KRIs.

The great promise of the Internet and the engine that is driving the current economic force is e-business. Business are able not only to market their products and services to vast global audiences, but to create a framework that unifies and coordinates their entire financial and global operations online-accurately efficiently and at lower cost than ever before. Simply a means of buying and selling electronically, for treasury professionals, the web is a vast source of global information-about stock process, exchange rates, interest rates and the thousand and one other details which determine risk levels for critical investment decisions. And

just as important as this raw data is the ability to process and analyse it online in real time.

Globe Finance:

Finance on a global scale is extremely complex. It is a matrix of many interlacing variables-markets, currencies, languages, accounting procedures and standards, local and international regulations and more-all of which must be normalized and rendered understandable for effective decision making and risk management. As a technology, the Internet makes all that possible with much greater speed, accuracy and economy than ever before. In this revolution, the rules and norms of doing business are being vaporised by the promise of a virtual financial marketplace. The fact that the e-business transformation is occurring fast. It is a revolution measured in weeks and months instead of the centuries it took to create the manufacturing economy or even the decades it took to create the service economy. E-business is having a profound effect across virtually all industries, and its effect on the institutional treasury marketplace to be exhibited by both the reactive and proactive strategies of the major players. Financial institutions, Institutional treasuries and Treasury system developers.

Cash Management through the Internet:

A great amount of web-based development, marketing and publicity within the treasury and financial services areas have been concentrated in the banking area and how the Internet change the relationship between the bank and its customers. Similarly, the treasury in medium and large size corporations is impacted by new Internet technology as well. For example, Wall Street Systems has taken advantage of the Internet to provide facilities to the geographically dispersed affiliate's subsidiaries to perform very specific functions in a no software deployment browser-based environment. This environment:

- * Improves forecast quality.
- * Enables global hedging of local payments.
- * Reduces duplicate entry across systems.
- * Eliminates paper and fax based communication.

Each affiliate can view its "cash on deposit" at the head office as well as view projected forecasts and actual cash flows plus key accounting. By providing for this in a browser-based environment, neither the head office nor the affiliate are burdened with the installation and support of locally residing clients. True servlet-based technology is used

so that the affiliate subsidiary users are only required to have a browser and Internet access available on their work stations but can still perform their work in a globally secure environment.

Banks and Financial Institution:

Treasury departments in large banks and other financial institutions have already experienced "tidal waves" of change in the Internet revolution. The first wave his as financial institutions began using the Internet as a way to replace the telephone. The Internet quickly replaced this traditional link between the corporate sales desk and institutional clients. Strategies evolved to create information rich websites that transferred market rates and research directly to clients. The amount of information required top satisfies clients increased weekly.

E-Business technology not only makes this all possible: it may set a new de facto standard for a commercial bank's survival. They can't even think about waiting for operational efficiencies and scale to offset the impact of shrinking margins. They must create new strategies, and move fast now, or be left behind. For customers with sufficient credit, multilateral trade execution sites may settle into some type of competitive stand-off. With pure price transparency, the battle for market share will be fought on a value added services basis where IT systems improvements, rapid deployment of new functionality, the ability to provide straight-through processing and the creation of deeply integrated chains of e-business value are the most effective weapons. Financial institutions have to work closely with their selected treasury service providers, technology partners and business alliance partners on a strategic level if they are to emerge as market-leaders in e-business delivered treasury services.

E-business also change the dynamics of how corporate treasuries conduct and view their business in a number of important ways. To begin with, the need to integrate treasury systems capabilities together with their firm's other e-business activities become a critical issue for many of them. E-business technology will provide the means to leverage treasury liquidity throughout their entire internal and external procurement and distribution partnership chain. As the new worldwide Internet-based treasury technology structure develops, the corporate groups with e-business strategies find ways to lock in relationships with the mid-to-small sized players. With this evolution, it is likely that an entirely new set of commercial dynamics evolve. As e-business treasury

large value transactions are involved and errors can be devastating. Operating processes must be sound, reliable and secure. System strategies must be solidly based on proven technologies.

Conclusion:

A proper management style to implement the change in development strategy. A very able powerful and committed leadership is a prerequisite for strategic competitive advantage and participation is a very democratic way. The participation in the decision-making process and delegation is an important aspect of this method. Networks action is an indirect action method which uses an intermediate change agent in the change process. This requires considerable monitoring. The success depends on capability, communication, commitment and sincerity of competent people to worktogether on developing tomorrow in search of excellence. Thus, core competence provides nourishment, stability to the organizations in order to have excellent human quality. This gives a distribution of experience and wisdom which serve as insights for information, for continuous refinement and formulation and implementation and evaluation of better practices in the near future in pursuit of excellence. Vision with action would change the image of India in the global world.

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