

Assignment 1

Technology, Information Technology



Assignment Introduction Current technology highly utilizes internet and electronic facilities in ensuring that it achieves its goals of changing the world into a global village. According to Mehta, 2003, the businesses directly or indirectly benefit from the advent of automated and internet processes. The processes include, among other feature, integration of electronic, and internet services into business operations. Electronic Commerce (EC) particular enjoys a wide range of positive changes in the e-procurement and supplies contracts.

How rules of 21st century contracts change with the introduction of Electronic Commerce

Electronic Commerce poses fewer challenges to business interactions than traditional methods. It changes the contract operations from paperwork such as T&C, proofs of delivery, paper invoicing, and contractual documentation to a paperless system. Contract administration becomes automatic because e-commerce is automatic and consequently reduces most manual work that slows down business operation. Evolution of e-commerce enables organizations to focus on customer responsiveness, satisfaction, and performance based on demand and supply (Smith, 2003).

The Network Edge integrates infrastructures of buyer and seller that make it easy for multiple buyers and sellers to link up and interact online. E-commerce, therefore, consolidates the functionalities in the transactions the parties involved in business contracts. E-commerce enhances how procurement professionals handle legal rights and steps of creating a valid business contracts and agreements. It raises the stake by presenting accountability of integrity to lawyers, purchase agents, and negotiators.

Consequently, through e-commerce integration, clients get high-quality delivery and at the correct prices. Resources and transaction velocity is another e-commerce trend that will change the rules of businesses. It raises customer expectation in levels of service and information availability through speedy marketing and advertisement.

Although e-procurement does not support group purchasing for the organizations, it has numerous benefits. Technological change in the 21st century such as e-procurement addresses inefficiencies such as unnecessary buying. Unnecessary buying includes fraudulent, airheaded, and spending without proper scrutiny. E-procurement will change procurement cycle costs that are reducible through efficiency. In addition, positive changes will as well be evident in breach of already negotiated contracts.

The other e-commerce trend that the business contracts will enjoy is e-sourcing. E-sourcing is a web-enabled process in which the company uses the internet to re-engineer its supply base in a cost reducing and competitive advantage-gaining attempt. Consequently, quality of service will improve, lead-time will also reduce as cutting-edge technology and design accessibility increases. E-sourcing will also have dynamics such that ensuring continual availability of business products even when there is scarce in supply. E-sourcing benefits will provide sellers and buyers with an efficient platform to connect and quickly contract.

E-sourcing will enable businesses and companies to make better and informed decisions but taking into account low prices besides quality.

Compromise in the supplier performance, timely delivery, serviceability, and specific needs will also come under scrutiny. Because e-sourcing eliminates

hidden costs, the cost of sourcing itself will reduce tremendously as it eats away cost-savings strategies. Further, e-sourcing will not fail to create intense competition among suppliers. The intense competition motivates efficiency and value among suppliers by eliminating complacency (Patterson, 2005). E-sourcing will also help in organizations find new marketers and innovations for better service to the customers. Moreover, e-sourcing will have the benefit of receiving faster and more flexible sourcing of commerce strategic items at the speed of the internet.

Conclusion

Incorporating e-commerce rules into 21st century business rules is a viable process. Its benefits are highly rewarding. E-commerce causes the expansion of business units, speeds up buyer-seller interactions and information delivery. It also offers security and assurance to clients over the contracts that they undertake.

References

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