

# Essay on mat

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## **Management and Technology**

Technology and any business at present time in the world go hand in hand. The absence of technology based solution in any kind of money making business, especially one in which management of store and its delivery is involved, will ensure lack of speed in the development of that particular business. The report consists of two major parts, the first one containing the solved quires about managing controls of a company and the second part deals with the modern tools and methods used in the supply chain industry to affect the overall profit in a positive manner.

## **Control Decisions**

There are various methods by which a manger can learn about the flaws in the control system and act accordingly. The best method is by using benchmarks or certain standard bar to gauge the current standing of the amount of control. That benchmark can be compared with the current targets that are being achieved and subsequently improvements can be made. The targets if at a specific control is underachieving, the manger can apply remedial methods. For example if the goods are not being converted into processed form, he needs to uplift operational control. Similarly if flow of capital is not as smooth as the benchmark suggests, he needs to facelift financial control (Griffin, 2011).

The first step that a manager has to take to improve all controls is the

preliminary controls, by which the processes will be monitored before they enter the main stream. The second step that has to be taken is the screening control or in other words feedback process, by which operational control can be re-gained. Then is the financial control which looks after the financial transactions and finally the strategic control can be gained by using post-action control which ensures the output result to be up to the standards fixed by the company or the production floor (Griffin, 2011).

## **Bureaucratic and Decentralized Control**

Structural control can be divided into two main parts, the first being bureaucratic control and the other decentralized control. The prime difference between the two is that bureaucratic control is based upon the rules and regulations setup by the company where as the decentralized control is defined by the local culture, or development of a group of employees working on similar department or floor (Griffin, 2011). The advantage of bureaucratic control is that it brings discipline to the whole organization, downside being the fact that the same rules cannot be applied to all departments in an organization. The upside of a decentralized control is that strong bonding between colleagues which in turn provides greater numbers whereas the downside is that it can create a rift between different departments due to difference of working cultures.

## **Control Resistance**

There are many reason for which an employee resists control, human factor being one as it is human nature to resist control. The employees may resist if too many control or check points are placed over them. Quantitative

measurements for gauging may cause resistance too from control placed to increase quantitative numbers. Placing more control increases accountability, these results in finding of frauds, therefore it may cause non-honest people to resist extra control (Griffin, 2011).

Integrating control in company's standard procedures may make control look like norms of the company, bringing in less resistance. Promoting a culture where employee self check their and their departments work will ease the pressure on managers. Finally a verification process to cross refer targets set and achieved will help explaining the extra control better, as humans respond to logic more than irrational decisions without numbers backing them up (Griffin, 2011).

## **Design of Operations Systems**

There are three basic components which have to be kept in mind while designing an operation system. The first and foremost is determining the types of products or services which the organization will be able to deliver. The manager has to decide the perfect mix to understand about the best type of service or goods the organization can produce. The second component is the capacity decision. The manager has to take in notice the amount of goods or services that can be produced over a specific amount of time before he designs the operation system. The third and final component is the facility decision, as the location of the factory and surrounding environment is an essential part of the manager's decisions while designing a new operation system (Griffin, 2011).

## **Total Quality Management**

Total Quality Management (TQM) is defined as the policy of a company that here are three basic companies that its higher hierarchy makes to follow the pattern of good quality products/services rather than any other target or goal. There are in total, 5 basic parameters of TQM. The first and foremost is the commitment from the top brass to make quality as the defining factor of their organization. Employee involvement in decisions is the second pillar of the TQM. Induction of modern methods like technology or automation is the third parameter that definitely improves quality. The improvement of the material quality and the operating system are respectively the fourth and fifth form of TQM for any organization (Griffin, 2011).

## **Amazon. com**

This section of the report deals in methods used by amazon. com to indoctrinate technology into their supply systems which has made them online sale giants. Now, not only they serve goods in the mail themselves but also help setup their companies who want to incorporate automation in their systems.

## **Common Decisions**

Amazon. com makes a few manufacturing decisions like having distribution centers or large warehouses. This policy is just like that of a manufacturer who stocks his goods in central positions for them to be easily transported around the country. The decisions Amazon takes which has parallel thinking with service firms is the delivering of good, right after they are produced by the manufacturing company. Therefore they have to decide how to deliver

product in the most effective method. The manufacturing decisions are directly related as Kindle is a home product so its publicity is done according to the manufacturing and production of new models. The services that it provides have started using of newspaper and magazines around the world so a paid subscriber can get the latest edition on Kindle when the issue goes into print (Griffin, 2011).

### **Amazon. com Supply Chain**

The manual supply chain system was shifted to a total automated one which has revolutionized the way supply chain management is looked at. An autonomous software is in charge of deciding about the goods that have to be stored in the distribution centers and which ones are to be shipped directly from the producer. The software also monitors activity and based on most frequent buys, positions the respective goods in the most frequent use section of the warehouse. Apart from the shipping companies all the work in the supply chain management is done on its own by Amazon. com (Griffin, 2011).

### **Inventory Control**

Amazon. com makes a few manufacturing products. One of the examples is a DVD that is only available on Amazon. com as the music was initially released on Amazon. The DVD is then shipped within two days, which became an instant hot due to the lower price than any other licensed music online or offline (Ehrlich, 2011). The inventory decision that has to be made in this regard is the collection of DVDs which are blank positioned at places where they are burned and then shipped to the destination. Also if the

volume of demand increases, a pre-stock has to be created at the warehouses so the shipment is not delayed.

## **Advantages**

There are many reasons because of which customers keep on returning for the online shopping experience. The first reason is the name Amazon. com has made in the market regarding the quality of its products and the return policies. Therefore people are no longer afraid to be robbed online once the Amazon logo is involved. Also the deals and extra ordinary prices that Amazon. com comes up with are phenomenal and cannot be compared to any other online or offline shopping company, which has a range of variety from clothing to electronics and house old items. Also wish list, friend's reminders and shipment tracking are various factors that boost the shopping experience, for which a person is willing to sit at home and shop.

## **Examples**

The first example is that of Kindle ®, where the newspaper or magazine can be downloaded even before it has been presented in the market in the hard copy. This is an instant hit with people who travel all the time and business types, where paper in their suitcase is a hassle. A simple tab makes it easier and faster for them (Griffin, 2011).

The second example is the web and software based solutions Amazon. com provides to other companies. A 15 percent of every sale comes to the account of amazon. com making it almost 20 percent of their profit causing increase in profit with one time solution providence (Griffin, 2011).

The third and final example that can be quoted to show the high productivity

of Amazon.com is the self made product label like Pinzon® which is mostly the tab under which house hold garments like towels and bed sheets are sold. By eliminating the manufacture buyer cost, Amazon.com makes a lot of cost cutting edges, therefore ending in the ultimate fruit “ PROFIT”.

## **Conclusion**

Business is more profitable when it revolutionize itself rather than following other successful business models in the world. Innovation was shown by Amazon.com which raised them from the ranks of online booksellers to online shopping standard or bench marks in the sales world. The secret behind their success as largely explained above was successful integration of technology in the supply chain, cutting human costs and human errors simultaneously. The automation process along with the drop shipping technique which in large eliminates the middle man has increased their profits to an extent that other companies looked at amazon.com for physical help for their business solutions. The technology revolution in sales chain, brought by Amazon.com may be the best thing that has happened to the people working in the supply chain departments of any company.

## **References**

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Griffin, R. W. (2011). Fundamentals of Management. USA: South-Western Cengage Learning