

# Case study- the amazon of innovation

Business



The company is widely known for its online retail shopping, its popular Kindle Series with e-bookstore, along with their cloud and order fulfillment services amongst many other things. Amazon has become a great example of a perfect collaboration system and utilizing all of its information systems. With the vast history of Amazon we can begin to ask certain questions that would help understand Amazon and its continual success in innovating: How does Amazon, as a company show their ability and willingness to collaborate, experiment, perform systems and abstract thinking?

These questions and more will be further explained in this case study.

Q. In what ways does Amazon, as a company, evidence the willingness and ability to collaborate? Amazon's constant expansion and thriving innovations prove to show Amazon and their employees are able and willing to collaborate productively. Exact examples were not addressed in the case study, but you can only imagine the collaboration it took amongst Amazon during the 2010 shipped during their peak order-fulfillment day (Kerosene 29).

Based off the volume of those orders and units, one could not help but think that collaborating and teamwork played a major role in making that period a success. We could also look at prior knowledge of Amazon and the development of their Kindle Series and Kindle bookstore which shows a great example of collaboration because what one developer established had the potential to become more successful through collaboration.

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Beginning In 1994, the widely popular Amazon was just a small, unknown online bookstore. Although you wouldn't have known it back then, but Amazon soon became the business model for online retailing (Kerosene 29). But books weren't enough; they needed to push the envelope! They chose more products to reach a wider consumer scale, and that was the best idea they could have had. Although they tried, they did have a few failed experiments, like trying to do auction-style selling in 1999; however, unfortunately, they couldn't compete with eBay (Kerosene 29).

That being said, online retailing is an experiment in itself, it's hard to sell things since the customer is completing everything themselves; and, once you invest in trying to sell an additional item, you don't know what the sales forecast would really be, you just have to hope that people will buy it. But Amazon was confident and skillful. Every year, they would constantly add more and more products in hopes that consumers would purchase them, and so far, they have more than succeeded.

They also stepped outside the box and brought the Kindle to life, which has not disappointed. In addition to their successes, Amazon also came out with the concept of "Prime Members", which lets special members get certain privileges, such as free shipping. This concept is still going on today, and helps recognize consumers who constantly shop with Amazon.

Without the use of their ideas, and their willingness to experiment, Amazon would not have gotten their sterling international status that they currently possess. Q.

In what ways do you think the employees at Amazon must be able to perform systems analysis tasks? Systems thinking and systems thinking relate to one another in that systems thinking enable one to be able to model the components of a system and abstract reasoning is the ability to make and manipulate models. Learning systems thinking allows you to be able to create better models while enhancing a process. Amazon employees use both to rate and utilize shipping arrangements to maximize cost and satisfaction.

The skills could also be used to improve the process when thinking of a new product or constructing assembly costs.

Question #4: Describe, at a high level, the principal roles played by each of the five components of an information system that supports order fulfillment. The Computer Hardware consists of dozens or more computers linked together by data communications hardware (Kerosene 11). Software roles would consist of hundreds of different programs that coordinate communications among the computers, along with other programs that help to streamline the process of picking, packing, and shipping products from the warehouse (Kerosene 1).

The system may store Data relating to customers' orders, customers profiles from previous orders, product information along with inventory, among other facts relating to the shipping process.

Hundreds of different Procedures are followed by customers, warehouse employees along with the shipping companies (Kerosene 11). The roles played by People include not only the users of the systems, but also those <https://assignbuster.com/case-study-the-amazon-of-innovation/>

who operate and service the computers, also those who maintain the data along with those who support the networks of computers (Kerosene 11).

Question #5: Choose any five of the innovations in Figure 1-7 and explain how you think Moor's Law facilitated that innovation. According to Moor's Law, " the number of transistors per square inch on an integrated chip doubles every eighteen months. " Because of Moor's Law, " the cost of data communications and data storage is essentially zero.

" I think Moor's Law facilitates the entire history of Amazon. More specifically however, some include: the first online bookseller, the Launch of Amazon. Mom, Kindle 2 & Kindle DXL, and Kindle Fire. They prove that Moor's Law facilitated Amazon's success. Amazon's attempt to add auctions similar to those of eBay, unfortunately was a failure. Moor's Law also facilitated this failure.

EBay was simply too difficult to compete against with such low prices and high performance. However, as the four successful innovations listed earlier continued to be created, one after another, new ground was made. The performance of these innovations continued to progress and the prices lowered.

Because of the successes of Amazon and even the failures, which were all proven by Moor's Law, they were able to continue this pattern of performance enhancement, ND decrease in prices, by coming up with new innovations every year since 1994. Question #6: Suppose you work for Amazon or a company that takes innovation as seriously as Amazon does.

What do you suppose is the likely reaction to an employee who says to his or her boss, “ But, I don’t know how to do that!?” I believe the boss is likely to react by telling the employee that the whole point of innovation is to try something new.

They might tell the employee that they need to experiment and collaborate with others so that they learn. Sometimes it is alright not to fully understand what you are doing when you try something new. That, in fact, is the main reason for innovation: to try something that is out of the ordinary and maybe a little strange. Employees need to be able to experiment where they may believe they are not experts IT teeny cannot, teen teeny cannot Innovate anything, w LLC purpose of working for Amazon or any company that takes innovation seriously.

I believe the boss will speak to the employee about the importance of innovation and if they refuse to attempt the new task asked of them, they may unfortunately lose their job.

Question #7: Using your own words and your own experience, what skills and abilities do you think you need to have to thrive at an organization like Amazon? To run a company as big and well-known as Amazon, you honestly have to be skilled in everything. However, there are more important skills than others.

At Amazon, I think the most important abilities and skills are Customer Service/Communication, Knowledge of Computer Systems, and Creative Thinking/Problem Solving. Customer Service is a key almost anywhere. People want to feel like you care about their well- being. If you can’t make  
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them understand how much you care, most of the time, they will not care in return.

When you show sincerity of their thoughts, they are more likely to recommend and return, therefore, you will make more profit. What could go wrong? Secondly, being an online retailer would require a more extensive knowledge of computer systems.

However, the more you know, the more you are able to make things easier and more flexible for the customer (also, it's good to know a thing or two in case the website crashes). Another thing people love, easiness. The easier it is to use the website and obtain their wants/needs faster, the more they will use it.

Lastly, you should be skilled in creative thinking and problem solving. These two are vital to think outside the box and come up with new ideas for products and customer satisfaction. New products, even some that could have never been sold or created before, open up a bigger market and profit for the company.

Furthermore, as if working for any company, you need collaboration and cooperation to be able to achieve anything as a team. Without the use of teamwork, you aren't bettering your products, and it makes it more difficult to work.

Collaboration/cooperation is the absolute key for working in any sort of field, for without it, we can't get anything but second best. If you want to try your

luck at working for Amazon, I believe these are the most important skills to possess to achieve the greatest amount of profit and returning of customers.

As a company, Amazon shows the strengths of a business. They have shown their willingness to experiment; and, over time, we have been able to easily see their collaboration efforts even if it's just from their successes. They have tried, and they have failed, but they have not given up hope, or given up the act of experimentation.

They think outside the box, and deliver such products that they know will please the consumers. Their innovation clearly shows the doings of Moore's Law, and their order fulfillments demonstrate the five components of information systems.

Businesses should be more innovative, more willing to experiment, and have a better use of abstract thinking if they want to be as successful as this, once insignificant, online retailer. Through perseverance and collaboration this little online bookseller has become one of the biggest and most respected online businesses of our time. Kerosene, David M.

(2013). Using MIS (6th edition). Upper Saddle River, New Jersey, United States of America: Pearson Education, Inc. , publishing as Prentice Hall.